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FEDERAL REGISTER

1934 OF THE UNITED STATES

VOLUME 13 NUMBER 135

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TITLE 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 3—ACQUISITION OF A COMPETITIVE STATUS

PART 7—REINSTATEMENT

MERCHANT MARINE SERVICE

1. Subdivision (iv) of § 3.101 (b) (2) is amended to read as follows:

§ 3.101 *Incumbents of positions brought into the competitive service.* * * *

(b) * * *

(2) * * *

(iv) Substantially continuous service in the Merchant Marine in accordance with the rules and regulations of the United States Maritime Commission, provided the employee left his position after May 1, 1940, and before July 25, 1947, to enter on duty with the Merchant Marine.

2. Subparagraph (7) of § 7.102 (a) is amended to read as follows:

§ 7.102 *Extension of time limits after certain types of employments.* (a) * * *

(7) Substantially continuous service in the Merchant Marine in accordance with the rules and regulations of the United States Maritime Commission, provided the employee left his position after May 1, 1940, and before July 25, 1947, to enter on duty with the Merchant Marine.

(R. S. 1753, sec. 2, 22 Stat. 403; 5 U. S. C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] H. B. MITCHELL,
President.

[F. R. Doc. 48-6163; Filed, July 12, 1948; 8:46 a. m.]

PART 22—APPEALS OF PREFERENCE ELIGIBLES UNDER THE VETERANS' PREFERENCE ACT OF 1944

MISCELLANEOUS AMENDMENTS

Effective upon publication in the FEDERAL REGISTER, Part 22 is amended as set out below.

1. Subparagraph (1) of § 22.1 (a) and subdivision (v) and (vi) of § 22.1 (a) (2) are amended to read as follows:

§ 22.1 *Applicability of regulations*—(a) *Coverage.* * * *

(1) *Employees covered.* Employees affected are permanent and indefinite preference eligible employees who have completed a probationary or trial period in positions under the Civil Service Rules or War Service Regulations, or one year of current continuous employment in positions excepted from the competitive service, in the service of any establishment, agency, bureau, administration, project or department created by acts of Congress or Presidential order or in the service of the District of Columbia. The regulations in this part are not applicable to employees serving probationary or trial periods or to employees under the legislative or judicial branch of the Government, and employees who were appointed to any positions required to be confirmed by, or made with, the advice and consent of the United States Senate, other than postmasters in offices of the first, second and third classes.

(2) *Preference eligible employees.* * * *

(v) Those widowed mothers (if they have not remarried),

(*a*) Of deceased ex-servicemen or ex-servicewomen who lost their lives while on active duty in any branch of the armed forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized), or

(*b*) Of service-connected permanently and totally disabled ex-servicemen or ex-servicewomen, if said ex-serviceman or ex-servicewoman was separated from such armed forces under honorable conditions; and,

(vi) A mother of a deceased ex-serviceman or ex-servicewoman who lost his or her life while on active duty in any branch of the armed forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized), or of a service-connected permanently and totally disabled ex-serviceman or ex-servicewoman, if

(*a*) Said ex-serviceman or ex-servicewoman was separated from such armed forces under honorable conditions,

(*b*) The mother was divorced or separated from the father or said ex-serv-

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FEDERAL REGISTER

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1947 SUPPLEMENT

to the

CODE OF FEDERAL REGULATIONS

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iceman son or ex-servicewoman daughter, and

(c) The mother has not remarried.

2. Paragraphs (a) and (c) of § 22.2 are amended to read as follows:

§ 22.2 *Notification of proposed actions; charges and opportunity for answer*—(a) *Advance written notice of thirty days.* No employee covered by the regulations in this part shall be discharged, suspended for more than thirty (30) days, furloughed without pay, reduced in rank or compensation, or debarred for future appointment except for such cause as will promote the efficiency of the service and for reasons given in writing, and the employee whose discharge, suspension for more than thirty (30) days, furlough without pay, or reduction in rank or compensation is sought shall have at least thirty (30) days advance written notice stating any and all reasons, specifically and in detail, for any such proposed action. The advance notice which is required when a proposed action is sought by an employing agency shall be submitted to the employee at least thirty (30) days before the effective day of such proposed action except that:

(1) In cases of furlough without pay due to unforeseeable circumstances, such as sudden breakdowns in equipment, acts of God, or emergencies requiring immediate curtailment of activities, advance notice shall not be necessary.

(2) In cases where there is reasonable cause to believe the employee to be guilty of a crime for which a sentence of imprisonment can be imposed, the employee need not be given thirty (30) days advance written notice, but must be given such advance notice and opportunity to answer as under the circumstances will be reasonable. See § 9.102 (a) (1) of this chapter.

* * * * *

(c) *Status of employee during period of advance notice.* Whether the employee is given thirty (30) days advance notice, under paragraph (a) of this section, or less than thirty (30) days notice under paragraph (a) (2) of this section, he shall be retained in an active duty status during such notice period, except that in cases where the circumstances are such that the retention of the employee in an active duty status may result in damage to Government property, or may be detrimental to the interests of the Government, or injurious to the employee, his fellow workers or the general public, the employee may during the notice period be temporarily assigned to duties in which these conditions would not exist, or placed on annual leave, provided he has sufficient leave to his credit to cover the required period, or placed on leave without pay with his consent. No suspension during such notice period can be effected except as provided in § 9.102 (a) (1) of this chapter. The reasonableness of the applications of such exceptions in any case will be considered in connection with the entire case in the event that the employee subsequently appeals from the final adverse decision reached by the administrative officer.

3. Sections 22.3 and 22.4 are amended to read as follows:

§ 22.3 *Notification of adverse decisions of administrative officers of agencies.* Adverse decisions by administrative officers following notification of proposed adverse action, charges and answers of employees shall be in writing, dated, and submitted to the employee promptly after such decisions have been made. The employee should at the same time be advised of his right to appeal the decision to the appropriate office of the Civil Service Commission within ten (10) days after the effectve date of the adverse decision.

§ 22.4 *Appeals to the Commission; time limit.* The Commission will not entertain an appeal for consideration or review of any action under section 14 of the Veterans' Preference Act of 1944 prior to an adverse decision making effective the discharge, suspension for more than thirty (30) days, furlough without pay, or reduction in rank or compensation. Ten (10) days after the effective date of the adverse decision shall be considered as a reasonable time to prepare and submit an appeal under this section. This time limit may be extended in the discretion of the Commission only upon showing by the employee that circumstances beyond his control prevented him from filing an appeal within the prescribed ten (10) days.

4. Section 22.7 is amended to read as follows:

§ 22.7 *Preliminary consideration of appeals in the Commission.* When an appeal is received, it will be examined for the purpose of determining whether or not it is within the scope of the Veterans' Preference Act of 1944, and the regulations in this part, and the decision in this respect will be made by the Chief Law Officer or regional director as appropriate. If it is determined that the appeal is not within the scope of section 14, the employee and his designated representative will be so advised and informed of the right to make a request for reconsideration and to submit evidence and representations in support thereof. If, upon reconsideration, it is again determined that the appeal is not within the scope of the law and regulations the employee and his designated representative will be advised of the decision and the right of further appeal to the Commissioners as provided in § 22.11. Where the appeal is found to be within the scope of the law and regulations, it will be docketed for investigation and adjudication and the employee and his designated representative and the employing agency will be so advised.

5. Paragraphs (a) and (b) of § 22.10 are amended to read as follows:

§ 22.10 *Decision in the Commission*—(a) *By whom made; contents.* The decision on the appeal shall be made by the Chief Law Officer or the regional director, as appropriate, in a finding consisting of an analysis of the evidence, the reasons for the conclusions reached and the recommendation for action to be taken by the employing agency concerned.

(b) *Copy of decision furnished appellant, designated representative and agency; appeal to the Commissioners.* Copies of the analysis, conclusions and recommendations shall be furnished to the employing agency and the appellant and his designated representative with notifications of right of further appeal to the Commissioners of the U. S. Civil Service Commission, Washington 25, D. C.

6. Paragraphs (a) and (e) of § 22.11 are amended to read as follows:

§ 22.11 *Further appeals to the Commissioners*—(a) *Time limit for filing.* An appeal may be made by the employee or the employing agency from a decision of the Chief Law Officer or regional director to the Commissioners, U. S. Civil Service Commission, Washington 25, D. C., within seven (7) days of the date of receipt of notification of the decision. This time limit may be extended in the

discretion of the Commission only upon a showing that circumstances beyond the control of the employee or the employing agency prevented the filing of a further appeal within the prescribed seven (7) days.

* * * * *

(e) *Reopened appeals.* The Commissioners may in their discretion, when in their judgment such action appears warranted by the circumstances, reopen an appeal at the request of the appellant or his designated representative or the employing agency, and may grant a hearing before them. In connection with such appeal, both parties to the proceeding shall be accorded opportunity to make written representations and to participate in any hearing which may be held.

(Secs. 11 and 14, 58 Stat. 387; 5 U. S. C. 860, 863)

NOTE: The foregoing amendments have been made to bring the regulations in Part 22 into conformity with the requirements of Public Law 623, which was effective June 10, 1948. The Commission has therefore found that good cause exists for making these amendments effective upon publication in the FEDERAL REGISTER.

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] H. B. MITCHELL,
President.

[F. R. Doc. 48-6162; Filed, July 12, 1948; 8:45 a. m.]

TITLE 6—AGRICULTURAL CREDIT

Chapter II—Production and Marketing Administration (Commodity Credit)

[1948 C. C. C. Grain Sorghums Bulletin 1]

PART 263—GRAIN SORGHUMS LOANS AND PURCHASE AGREEMENTS

1948 GRAIN SORGHUMS PRICE SUPPORT PROGRAM BULLETIN

This bulletin states the requirements with respect to the 1948 Grain Sorghums Price Support Program formulated by Commodity Credit Corporation (hereinafter referred to as CCC) and the Production and Marketing Administration (hereinafter referred to as PMA). Loans will be made available on grain sorghums produced in 1948 in accordance with this bulletin.

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263.202 Availability of loans.
263.203 Approved lending agencies.
263.204 Eligible producer.
263.205 Eligible grain sorghums.
263.206 Eligible storage.
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263.222 Purchase of notes.
263.223 CCC field offices.
263.224 Loan rates.

AUTHORITY: §§ 263.201 to 263.224, inclusive, issued under sec. 302 (a), 52 Stat. 43, sec. 4 (b), 55 Stat. 498, Pub. Law 806, 80th Congress; 7 U. S. C. 1302 (a), 15 U. S. C. 713a-8 (b).

§ 263.201 *Administration.* The program will be administered in the field through the CCC field offices, the State PMA committees and the county agricultural conservation committees.

Forms will be distributed through the offices of State and county committees. County committees will determine or cause to be determined the quantity and grade of the grain sorghums, the amount of the loan, and the value of the grain sorghums delivered under a loan. All loan documents will be completed and approved by the county committee, which will retain copies of all documents. The county committee may designate in writing certain employees of the county agricultural conservation association to approve such forms on behalf of the committee.

The county committee will furnish the borrower with the names of local lending agencies approved for making disbursements on loan documents or with the address of the CCC field office to which loan documents may be forwarded for disbursement.

§ 263.202 *Availability of loans*—(a) *Area.* (1) Loans shall be available on eligible grain sorghums in eligible farm storage in the States of Arizona, California, Colorado, Kansas, Missouri, Nebraska, New Mexico, Oklahoma, South Dakota and Texas.

(2) Loans shall be available on eligible grain sorghums produced in the States where farm-storage loans are available and stored in eligible warehouses located anywhere in the United States.

(b) *Time.* Loans shall be available through December 31, 1948.

(c) *Source.* Loans shall be made available to producers direct by CCC field offices and by lending agencies under lending agency agreements with CCC.

§ 263.203 *Approved lending agencies.* An approved lending agency shall be any bank, cooperative marketing association, corporation, partnership, individual, or other legal entity with which the CCC has entered into a Lending Agency Agreement (Form PMA-97) or other form prescribed by CCC.

§ 263.204 *Eligible producer.* An eligible producer shall be any individual, partnership, association, corporation, or other legal entity producing grain sorghums in 1948, as landowner, landlord, tenant, or sharecropper.

§ 263.205 *Eligible grain sorghums.* Eligible grain sorghums shall be grain sorghums which were produced in 1948, the beneficial interest in which is now in the producer, and always has been in him, or in him and a former producer whom he succeeded before the grain sorghums were harvested, provided such grain sorghums grade No. 4 or better in accordance with Official Standards and do not grade discolored, weevily, or smutty. When stored in a warehouse, the grain sorghums must not contain in excess of 14 percent moisture. When stored on the farm the grain sorghums must not contain in excess of 13 percent moisture and must have been stored in the granary at least 30 days prior to inspection for measurement, sampling, and sealing, unless otherwise approved by the State PMA Committee.

§ 263.206 *Eligible storage.* Eligible storage for grain sorghums shall meet the following requirements:

(a) Eligible farm storage shall consist of farm bins and granaries which, as determined by the county committee, are of such substantial and permanent construction as to afford safe storage of the grain sorghums, permit effective fumigation for the destruction of insects, and afford protection against rodents, other animals, thieves, and weather.

(b) Eligible warehouse storage shall consist of (1) public grain warehouses for which a Uniform Grain Storage Agreement (CCC Form H, Revised) has been executed (Warehousemen desiring approval should communicate with the CCC field office serving the area in which the warehouse is located); or (2) warehouses operated by eastern common carriers under tariffs approved by the Interstate Commerce Commission. A list of approved warehouses will be furnished State offices and county committees.

§ 263.207 *Approved forms.* The approved forms consist of the loan documents which, together with the provisions of this bulletin, govern the rights and responsibilities of the producer, and should be read carefully. Any fraudulent representation made by a producer in obtaining a loan or in executing any of the loan documents, will render him subject to prosecution under the United States Criminal Code.

Notes and chattel mortgages, and notes and loan agreements, must be dated prior to January 1, 1949, with State and documentary revenue stamps affixed thereto where required by law. Notes and chattel mortgages, and note and loan agreements, executed by an administrator, executor, or trustee will be acceptable only where legally valid.

(a) *Farm storage loans.* Approved forms shall consist of the producer's note on CCC Commodity Form A, secured by a chattel mortgage on CCC Commodity Form AA.

(b) *Warehouse storage loans.* Approved forms shall consist of the note and loan agreement on CCC Commodity Form B, secured by negotiable warehouse receipts, representing the grain sorghums stored in approved warehouses. All grain sorghums pledged as security for a loan on a single CCC Commodity Form B must be stored in the same warehouse.

(c) *Warehouse receipts.* Grain sorghums stored in eligible warehouse storage under the loan program must be rep-

resented by warehouse receipts which satisfy the following requirements:

(1) Warehouse receipts must be issued in the name of the producer, must be properly endorsed in blank so as to vest title in the holder, and must be issued by an approved warehouse.

(2) Each warehouse receipt should set forth in its written terms that the grain sorghums are insured for not less than market value against the hazards of fire, lightning, inherent explosion, windstorm, cyclone, and tornado, or, in lieu of this statement, it must have stamped or printed thereon the word "Insured."

(3) Liens for warehouse charges will be recognized by CCC but only from May 15, 1948, or the date of the warehouse receipt, whichever is later.

(4) Each warehouse receipt, or the warehouseman's supplemental certificate (in duplicate) properly identified with the warehouse receipt, must show the gross weight and grade, dockage, test weight and all special grading factors.

(5) In the case of warehouse receipts issued for grain sorghums delivered by rail or barge, CCC will accept in-bound weight and inspection certificates properly identified with the grain sorghums covered thereby in lieu of the information required by subparagraph (4) of this paragraph. In areas where licensed inspectors are not available at terminal and subterminal warehouses, CCC will accept inspection certificates based on representative samples which have been forwarded to and graded by licensed grain inspectors.

§ 263.208 *Determination of quantity.* A unit of 100 pounds shall be determined to be 100 pounds of grain sorghums, free of dockage when determined by weight, or 2.25 cubic feet of grain sorghums testing 56 pounds per bushel when determined by measurement. A deduction of ¾ of a pound for each sack will be made in determining the net quantity of the grain sorghums when stored as sacked grain sorghums. In determining the quantity of grain sorghums in farm storage by measurement, fractional units of less than 100 pounds will be disregarded. The quantity determined by measurement of grain sorghums having a test weight less than 56 pounds per bushel shall be adjusted by the following percentages:

For grain sorghums testing	*Percent*
56 pounds or over	100
55 pounds or over, but less than 56 pounds	98
54 pounds or over, but less than 55 pounds	96
53 pounds or over, but less than 54 pounds	95
52 pounds or over, but less than 53 pounds	93
51 pounds or over, but less than 52 pounds	91
50 pounds or over, but less than 51 pounds	89
49 pounds or over, but less than 50 pounds	87

§ 263.209 *Determination of dockage.* The percentage of dockage shall be determined in accordance with the Official Grain Standards of the United States for Grain Sorghums, and the weight of such dockage shall be deducted from the gross weight of the grain sorghums in determining the net quantity available for loan.

§ 263.210 *Liens.* The grain sorghums must be free and clear of all liens and encumbrances, or if liens or encumbrances exist on the grain sorghums, proper waivers must be obtained.

§ 263.211 *Service fees.* Where the grain sorghums under loan are farm-stored the producer shall pay a service fee of 2 cents per 100 pounds on the number of pounds placed under loan, or $3.00, whichever is greater, and where the grain sorghums under loan are warehouse-stored the producer shall pay a service fee of 1 cent per 100 pounds on the number of pounds placed under loan, or $1.50, whichever is greater.

§ 263.212 *Set-offs.* A producer who is listed on the county debt register as indebted to any agency or corporation of the United States Department of Agriculture shall designate the agency or corporation to which he is indebted as the payee of the proceeds of the loan to the extent of such indebtedness, but not to exceed that portion of the proceeds remaining after deduction of the service fees and amounts due prior lien-holders. Indebtedness owing to CCC shall be given first consideration after claims of prior lien-holders.

§ 263.213 *Interest rate.* Loans shall bear interest at the rate of 3 percent per annum and interest shall accrue from the date of disbursement of the loan, notwithstanding the printed provisions of the note.

§ 263.214 *Transfer of producer's equity.* The right of the producer to transfer either his right to redeem the grain sorghums under loan or his remaining interest may be restricted by CCC.

§ 263.215 *Safeguarding of the grain sorghums.* The producer obtaining a farm-storage loan is obligated to maintain the farm storage structures in good repair, and to keep the grain sorghums in good condition.

§ 263.216 *Insurance.* CCC will not require the producer to insure the grain sorghums placed under farm-storage loans; however, if the producer does insure such grain sorghums such insurance shall inure to the benefit of CCC to the extent of its interest, after first satisfying the producer's equity in the grain sorghums involved in the loss.

§ 263.217 *Loss or damage to the grain sorghums.* The producer is responsible for any loss in quantity or quality of the grain sorghums placed under farm-storage loan, except that uninsured physical loss or damage occurring without fault, negligence, or conversion on the part of the producer resulting solely from an external cause other than insect infestation or vermin will be assumed by CCC, provided the producer has given the county committee immediate notice in writing of such loss or damage, and provided there has been no fraudulent representation made by the producer in the loan documents or in obtaining the loan.

§ 263.218 *Personal liability.* The making of any fraudulent representation by the producer in the loan documents, or in obtaining the loan, or the conversion or unlawful disposition of any portion of the grain sorghums by him, shall render the producer personally liable for the amount of the loan and for any resulting expense incurred by any holder of the note.

§ 263.219 *Maturity and satisfaction.* Loans mature on demand but not later than April 30, 1949. In the case of farm-storage loans, the producer is required to pay off his loan on or before maturity, or to deliver the mortgaged grain sorghums in accordance with the instructions of the county committee. Credit will be given for the total quantity delivered, provided it was stored in the bin(s) in which the grain sorghums under loan were stored, at the applicable loan rate, according to grade and/or quality. If the settlement value of the grain sorghums delivered exceeds the amount due on the loan, the amount of the excess shall be paid to the producer. If the settlement value of the grain sorghums is less than the amount due on the loan, the amount of the deficiency, plus interest, shall be paid by the producer to CCC, or may be set off against any payment which would otherwise be made to the producer under any agricultural programs administered by the Secretary of Agriculture, or any other payments which are due or may become due to the producer from CCC or any other agency of the United States. In the event the farm is sold or there is a change of tenancy, the grain sorghums may be delivered before the maturity date of the loan upon prior approval by the county committee. In the case of warehouse-storage loans, if the producer does not repay his loan upon maturity CCC shall have the right to sell or pool the grain sorghums in satisfaction of the loan in accordance with the provisions of the note and loan agreement and § 263.220.

§ 263.220 *Removal of the grain sorghums under loan.* If the loan is not satisfied upon maturity by payment or delivery, the holder of the note may remove the grain sorghums and sell them, either by separate contract or after pooling them with other lots of grain sorghums similarly held. The producer has no right of redemption after the grain sorghums are pooled, but shall share ratably in any overplus remaining upon liquidation of the pool. CCC shall have the right to treat the pooled grain sorghums as a reserve supply to be marketed under such sales policies as CCC determines will promote orderly marketing, protect the interests of producers and consumers, and not unduly impair the market for the current crop of the grain sorghums, even though part or all of such pooled grain sorghums are disposed of under such policies at prices less than the current domestic price for such grain sorghums. Any sum due the producer as a result of the sale of the grain sorghums or of insurance proceeds thereon, or any ratable share resulting from the liquidation of a pool, shall be payable only to the producer without right of assignment by him.

§ 263.221 *Release of the grain sorghums under loan.* A producer may at any time obtain release of the grain sorghums under loan by paying to the holder of the note, or note and loan agreement, the principal amount thereof, plus interest. If the note is held by an out-of-town lending agency or by CCC, the producer may request that the note be forwarded to a local bank for collection. In such case, where CCC is the holder of the note, the local bank will be instructed to return the note if payment is not effected within 15 days. All charges in connection with the collection of the note shall be paid by the producer. Upon payment of a farm-storage loan, the county committee should be requested to release the mortgage by filing an instrument of release or by a marginal release on the county records. Partial release of the grain sorghums prior to maturity may be arranged with the county committee by paying to the holder of the note the amount of the the loan and accrued interest represented by the quantity of the grain sorghums to be released. In the case of warehouse-storage loans, each partial release must cover all of the commodity under one warehouse receipt number.

§ 263.222 *Purchase of notes.* CCC will purchase, from approved landing agencies, notes evidencing approved loans which are secured by chattel mortgages or negotiable warehouse receipts. The purchase price to be paid by CCC will be the principal sums remaining due on such notes, plus accrued interest from the date of disbursement to the date of purchase at the rate of 1½ percent per-annum. Lending agencies are required to submit a weekly report to CCC and to the county committees on CCC Commodity Form F, or such other form as the Corporation may prescribe, of all payments received on producers' notes held by them, and are required to remit promptly to CCC an amount equivalent to 1½ percent interest per annum, on the amount of the principal collected, from the date of disbursement to the date of payment. Lending agencies shall submit notes and reports to the CCC field office serving the area.

§ 263.223 *CCC field offices.* The CCC field offices and the areas served by them, are shown below:

Address and Area

449 West Peachtree Street NE., Atlanta 3, Ga.: Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, Virginia.

623 South Wabash Avenue, Chicago 5, Ill.: Illinois, Indiana, Iowa, Michigan, Ohio.

1114 Commerce Street, Dallas 2, Tex.: Arkansas, Louisiana, New Mexico, Oklahoma, Texas.

417 East Thirteenth Street, Kansas City 6, Mo.: Colorado, Kansas, Missouri, Wyoming, Nebraska.

328 McKnight Building, Minneapolis 1, Minn.: Minnesota, Montana, North Dakota, South Dakota, Wisconsin.

67 Broad Street, Room 1304, New York 4, N. Y.: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, West Virginia.

515 Southwest Tenth Avenue, Portland 5, Oreg.: Idaho, Oregon, Washington.

30 Van Ness Avenue, San Francisco 2, Calif.: Arizona, California, Nevada, Utah.

§ 263.224 *Loan rates*—(a) *Basic loan rates at terminal markets.* 1948 grain sorghums loan rates per 100 pounds for grain sorghums grading No. 2 or better, stored in eligible warehouse storage at the following terminal markets, shall be as follows:

Market	Loan rate per 100 pounds
Kansas City, Mo., and Omaha, Nebr.	$2.77
Memphis, Tenn., and St. Louis, Mo.	2.90
San Francisco and Los Angeles, Calif.	3.02
New Orleans, La., and Houston and Galveston, Tex.	2.85

For loan at the full rates shown in the above schedule, the grain sorghums must have been shipped by rail at the domestic interstate freight rate. The rate at the designated terminal market will be reduced by the difference between the freight paid and the domestic interstate freight rate on any grain sorghums shipped at other than such freight rate.

The foregoing schedule of rates applies to grain sorghums delivered to any designated terminal market in carload lots which have been shipped by rail from a country shipping point to one of the designated terminal markets, as evienced by paid freight bills duly registered for transit privileges; *Provided*, That in the event the amount of paid-in freight is insufficient to guarantee minimum proportional freight rate from the terminal market, there shall be deducted from the applicable terminal rate the difference between the amount of freight actually paid in and the amount required to be paid in to guarantee outbound movement at the minimum proportional freight rate. The warehouse receipts must be accompanied by the registered freight bills or by (1) a statement in the following form signed by the warehouseman, (2) a certificate of the warehouseman containing such a certification, or (3) such forms as may hereafter be approved by CCC.

FREIGHT CERTIFICATE FOR TERMINALS

The grain sorghums represented by attached warehouse receipt No. _____ were received by rail freight from _____
(Town)

_____ _____
(County) (State)

point of origin, as evidence by freight bill described as follows:

Way bill, date _____ No. _____
Car No. _____ Initial _____
Freight bill, date _____ No. _____
Carrier _____ Transit wt. _____
Freight rate in _____ Amt. Collected _____
Number unused transit stops _____

The above-described paid freight bill has been officially registered for transit and will be held in accordance with the provisions of paragraph 19 of the Uniform Grain Storage Agreement.

_____
Warehouseman's signature

_____
Date of signature

_____
Address

Grain sorghums stored at a designated terminal market (including trucked-in-grain sorghums) for which neither registered freight bills nor such freight certificates are presented shall have a loan rate equal to the higher of (1) the terminal rate minus 10 cents per 100 pounds, or, (2) the county rate for the county in which the grain sorghums are stored.

(b) *Basic loan rates at other than designated terminal points.* CCC will determine the loan rate for grain sorghums in storage on the farm or in country warehouses by deducting from the designated terminal loan rate an amount equal to (1) the receiving and loading-out charges computed in accordance with the applicable schedule of rates of the Uniform Grain Storage Agreement (CCC Form H, Revised) for the 1948 crop plus (2) the average all-rail interstate freight rate (plus tax) from representative shipping points in the county to the appropriate terminal market.

Upon request by the county committee the CCC field office will determine the loan rate for grain sorghums stored in approved warehouses (other than those situated in the designated terminal markets) which are shipped by rail from country shipping points, by deducting from the appropriate designated terminal market rate an amount equal to the transit balance of the through freight from point of origin for such grain sorghums to such terminal market, plus freight tax on such transit balance: *Provided*, That in the case of grain sorghums stored at any railroad transit point, taking a penalty by reason of out-of-line movement, or for any other reason, to the appropriate designated market, there shall be added to such transit balance an amount equal to any out-of-line costs or other costs incurred in storing grain sorghums in such position.

The warehouse receipts, in addition to other required documents, must be accompanied by the original paid freight bills duly registered for transit privileges or by a statement in the following form signed by the warehouseman, or a warehouseman's supplemental certificate containing such information:

FREIGHT CERTIFICATE FOR OTHER THAN TERMINAL POINTS

The grain sorghums represented by attached warehouse receipt No. _____ were received by rail freight from _____
(Town)

_____ _____
(County) (State)

point of origin, as evidenced by freight bill described as follows:

Way Bill, date_____ No._____
Car No_____ Initial_____
Freight bill, date_____ No_____
Carrier_____ Transit weight_____
Freight rate in_____ Amt. Collected_____
Transit balance, if any, of through freight rate to_____ of_____ per 100 pounds.
Number unused transit stops_____

The above-described paid freight bill has been officially registered for transit and will be held in accordance with the provisions of paragraph 19 of the Uniform Grain Storage Agreement.

_____
Warehouseman's signature

_____
Address

_____
Date of signature

(c) *County loan rates.* Loan rates per 100 pounds of eligible grain sorghums for the respective States and counties basis

No. 2 or better grain sorghums free of dockage are listed below:

ARIZONA

County	Rate	County	Rate
Maricopa	$2.59	Pinal	$2.56
Pima	2.45	Yuma	2.60

CALIFORNIA

Butte	$2.68	Sacramento	$2.73
Colusa	2.71	San Joaquin	2.77
Fresno	2.70	Solano	2.79
Glenn	2.68	Stanislaus	2.75
Imperial	2.67	Sutter	2.71
Kern	2.70	Tehama	2.67
Kings	2.70	Tulare	2.70
Madera	2.73	Yolo	2.74
Merced	2.74	Yuba	2.71
Riverside	2.73		

COLORADO

Adams	$2.26	Logan	$2.26
Baca	2.27	Morgan	2.26
Bent	2.26	Otero	2.26
Cheyenne	2.27	Phillips	2.28
Crowley	2.26	Prowers	2.28
Kiowa	2.28	Pueblo	2.25
Kit Carson	2.28	Washington	2.26
Las Animas	2.26	Yuma	2.27
Lincoln	2.26		

KANSAS

Allen	$2.45	Linn	$2.46
Anderson	2.46	Logan	2.32
Atchison	2.49	Lyon	2.44
Barber	2.36	McPherson	2.39
Barton	2.36	Marion	2.39
Bourbon	2.46	Marshall	2.44
Brown	2.47	Meade	2.32
Butler	2.39	Miami	2.49
Chase	2.42	Mitchell	2.39
Chautauqua	2.42	Montgomery	2.44
Cherokee	2.44	Morris	2.42
Cheyenne	2.31	Morton	2.28
Clark	2.32	Nemaha	2.45
Clay	2.41	Neosho	2.45
Cloud	2.41	Ness	2.35
Coffey	2.45	Norton	2.36
Comanche	2.34	Osage	2.46
Cowley	2.39	Osborne	2.38
Crawford	2.45	Ottawa	2.39
Decatur	2.34	Pawnee	2.36
Dickinson	2.40	Phillips	2.36
Doniphan	2.46	Pottawatomie	2.45
Douglas	2.49	Pratt	2.36
Edwards	2.36	Rawlins	2.32
Elk	2.42	Reno	2.39
Ellis	2.36	Republic	2.40
Ellsworth	2.38	Rice	2.38
Finney	2.30	Riley	2.44
Ford	2.35	Rooks	2.36
Franklin	2.49	Rush	2.36
Geary	2.42	Russell	2.37
Gove	2.34	Saline	2.39
Graham	2.36	Scott	2.32
Grant	2.31	Sedgwick	2.39
Gray	2.33	Seward	2.30
Greeley	2.31	Shawnee	2.46
Greenwood	2.43	Sheridan	2.34
Hamilton	2.31	Sherman	2.31
Harper	2.37	Smith	2.38
Harvey	2.39	Stafford	2.36
Haskell	2.32	Stanton	2.30
Hodgeman	2.35	Stevens	2.30
Jackson	2.46	Sumner	2.39
Jefferson	2.49	Thomas	2.32
Jewell	2.39	Trego	2.36
Johnson	2.51	Wabaunsee	2.45
Kearny	2.31	Wallace	2.31
Kingman	2.39	Washington	2.41
Kiowa	2.36	Wichita	2.31
Labette	2.44	Wilson	2.44
Lane	2.34	Woodson	2.45
Leavenworth	2.51	Wyandotte	2.52
Lincoln	2.38		

MISSOURI

Barton	$2.45	Cass	$2.50
Bates	2.48	Cedar	2.46
Benton	2.50	Cooper	2.55
Carroll	2.52	Dade	2.45

MISSOURI—continued

County	Rate	County	Rate
Henry	$2.48	Morgan	$2.53
Hickory	2.47	Pettis	2.54
Jackson	2.52	Polk	2.47
Jasper	2.44	Ray	2.49
Johnson	2.49	St. Clair	2.46
Lafayette	2.51	Saline	2.54
Moniteau	2.55	Vernon	2.46

NEBRASKA

Adams	$2.42	Johnson	$2.47
Antelope	2.43	Kearney	2.41
Boone	2.45	Knox	2.41
Buffalo	2.42	Lancaster	2.49
Burt	2.49	Lincoln	2.35
Butler	2.49	Madison	2.45
Cass	2.51	Merrick	2.45
Cedar	2.43	Nance	2.45
Chase	2.31	Nemaha	2.47
Clay	2.42	Nuckolls	2.42
Colfax	2.49	Otoe	2.49
Cuming	2.48	Pawnee	2.45
Custer	2.39	Perkins	2.32
Dakota	2.46	Phelps	2.39
Dawson	2.40	Pierce	2.44
Dixon	2.45	Platte	2.47
Dodge	2.50	Polk	2.46
Douglas	2.52	Redwillow	2.36
Dundy	2.31	Richardson	2.46
Fillmore	2.45	Saline	2.47
Franklin	2.40	Sarpy	2.52
Frontier	2.36	Saunders	2.50
Furnas	2.37	Seward	2.48
Gage	2.47	Sherman	2.42
Gosper	2.38	Stanton	2.46
Greeley	2.44	Thayer	2.44
Hall	2.43	Thurston	2.48
Hamilton	2.45	Valley	2.41
Harlan	2.39	Washington	2.51
Hitchcock	2.34	Wayne	2.43
Howard	2.43	Webster	2.41
Jefferson	2.45	York	2.46

NEW MEXICO

Chaves	$2.15	Quay	$2.18
Curry	2.18	Roosevelt	2.18
Eddy	2.12	Union	2.15
Lea	2.14		

OKLAHOMA

Alfalfa	$2.36	Logan	$2.31
Beaver	2.28	McClain	2.28
Beckham	2.26	Major	2.31
Blaine	2.28	Mayes	2.41
Caddo	2.28	Noble	2.36
Canadian	2.28	Nowata	2.43
Cimarron	2.25	Okfuskee	2.32
Cleveland	2.28	Oklahoma	2.28
Comanche	2.28	Okmulgee	2.36
Cotton	2.28	Osage	2.39
Craig	2.43	Ottawa	2.43
Creek	2.36	Pawnee	2.36
Custer	2.27	Payne	2.32
Dewey	2.26	Pottawatomie	2.28
Ellis	2.26	Roger Mills	2.24
Garfield	2.35	Rogers	2.42
Grady	2.28	Texas	2.26
Grant	2.36	Tillman	2.28
Greer	2.25	Tulsa	2.40
Harmon	2.25	Wagner	2.39
Harper	2.29	Washington	2.43
Jackson	2.28	Washita	2.28
Kay	2.37	Woods	2.34
Kingfisher	2.31	Woodward	2.29
Kiowa	2.28		
Lincoln	2.31		

SOUTH DAKOTA

Aurora	$2.37	Hutchinson	$2.40
Beadle	2.35	Hyde	2.31
Bon Homme	2.41	Jerauld	2.37
Brule	2.36	Kingsbury	2.37
Buffalo	2.34	Lyman	2.32
Charles Mix	2.37	Mellette	2.34
Clark	2.35	Miner	2.39
Davison	2.39	Sanborn	2.37
Douglas	2.39	Spink	2.35
Gregory	2.39	Tripp	2.35
Hand	2.33	Yankton	2.43
Hanson	2.39		

TEXAS

County	Rate	County	Rate
Archer	$2.28	Hemphill	$2.23
Armstrong	2.28	Hidalgo	2.25
Atascosa	2.37	Hockley	2.28
Austin	2.56	Hutchinson	2.23
Bailey	2.28	Jack	2.28
Baylor	2.28	Jackson	2.53
Bee	2.39	Jim Wells	2.35
Bexar	2.38	Jones	2.28
Briscoe	2.28	Karnes	2.39
Brooks	2.31	Kenedy	2.32
Brown	2.30	Kent	2.28
Calhoun	2.49	Kleberg	2.35
Callahan	2.28	Knox	2.28
Carson	2.27	Lamb	2.28
Castro	2.28	Lavaca	2.50
Childress	2.28	Lipscomb	2.24
Clay	2.28	Live Oak	2.38
Cochran	2.28	Lubbock	2.28
Coke	2.28	Matagorda	2.57
Coleman	2.28	Mitchell	2.28
Collingsworth	2.28	Moore	2.24
Colorado	2.55	Motley	2.28
Comanche	2.32	Nolan	2.28
Cottle	2.28	Nueces	2.37
Crosby	2.28	Ochiltree	2.23
Dallam	2.23	Oldham	2.27
Dawson	2.28	Palo Pinto	2.28
Deaf Smith	2.28	Parmer	2.27
De Witt	2.46	Potter	2.27
Dickens	2.28	Randall	2.28
Donley	2.28	Refugio	2.44
Eastland	2.28	Roberts	2.23
Erath	2.32	Runnels	2.28
Fayette	2.50	San Patricio	2.40
Fisher	2.28	Scurry	2.28
Floyd	2.28	Shackelford	2.28
Foard	2.28	Sherman	2.22
Garza	2.28	Stephens	2.28
Goliad	2.44	Stonewall	2.28
Gonzales	2.43	Swisher	2.28
Gray	2.27	Taylor	2.28
Guadalupe	2.42	Victoria	2.50
Hale	2.28	Wharton	2.57
Hall	2.28	Wheeler	2.27
Hansford	2.23	Wichita	2.28
Hardeman	2.28	Wilbarger	2.28
Hartley	2.22	Wilson	2.40
Haskell	2.28	Young	2.28

In States where farm-stored grain sorghums are eligible for loan, there are counties for which loan rates have not been established because there are no stations within the counties on which to base freight rates. In such counties, the producer may, with the approval of the county committee, select a station (at which there is an approved warehouse and located in a county for which a loan rate is established) to which delivery will be made in the event the grain sorghums are delivered in satisfaction of a loan. The loan rate for such producer shall be the loan rate for the county in which the delivery station selected is located.

(d) *Variations for grades.* The loan rate for grain sorghums which grade No. 3 shall be discounted 8 cents per 100 pounds, and No. 4, 16 cents per 100 pounds. In addition, a discount of 3 cents per 100 pounds shall apply to "mixed" grain sorghums.

(e) *Storage allowance.* There shall be no storage allowance on grain sorghums placed under loan.

A deduction of 9 cents per 100 pounds shall be made from the applicable loan rate on grain sorghums placed under loan in a warehouse, unless evidence is submitted with the warehouse receipt that all warehouse charges except receiving charges have been prepaid through April 30, 1949.

Date program announced: May 24, 1948.

ELMER F. KRUSE,
Manager,
Commodity Credit Corporation.

JUNE 7, 1948.

[F. R. Doc. 48-6189; Filed, July 12, 1948; 8:52 a. m.]

[1948 C. C. C. Oats Bulletin 1]

PART 268—OATS LOAN AND PURCHASE AGREEMENTS

1948 OATS PRICE SUPPORT PROGRAM BULLETIN

This bulletin states the requirements with respect to the 1948 Oats Loan Program formulated by Commodity Credit Corporation (hereinafter referred to as CCC) and the Production and Marketing Administration (hereinafter referred to as PMA). Loans will be made available on oats produced in 1948 in accordance with this bulletin.

Sec.

268.201 Administration.
268.202 Availability of loans.
268.203 Approved lending agencies.
268.204 Eligible producer.
268.205 Eligible oats.
268.206 Eligible storage.
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268.208 Determination of quantity.
268.209 Determination of dockage.
268.210 Liens.
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268.212 Set-offs.
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268.217 Loss or damage to the oats.
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268.220 Removal of the oats under loan.
268.221 Release of the oats under loan.
268.222 Purchase of notes.
268.223 CCC field offices.
268.224 Loan rates.

AUTHORITY: §§ 268.201 to 268.224, inclusive, issued under sec. 302 (a), 52 Stat. 43, sec. 4 (b), 55 Stat. 496; Pub. Law 806, 80th Cong.; 7 U. S. C. 1302 (a), 15 U. S. C. 713a-8 (b).

§ 268.201 *Administration.* The program will be administered in the field through the CCC field offices, the State PMA committee and the county agricultural conservation committees.

Forms will be distributed through the offices of State and county committees. County committees will determine or cause to be determined the quantity and grade of the oats, the amount of the loan, and the value of the oats delivered under a loan. All loan documents will be completed and approved by the county committee, which will retain copies of all documents. The county committee may designate in writing certain employees of the county agricultural conservation association to approve such forms on behalf of the committee.

The county committee will furnish the borrower with the names of local lending agencies approved for making disbursements on loan documents or with the address of the CCC field office to which loan documents may be forwarded for disbursement.

§ 268.202 *Availability of loans*—(a) *Area.* (1) Loans shall be available on eligible oats stored in eligible farm storage in all areas.

(2) Loans shall be available on eligible oats stored in eligible warehouses in all areas.

(b) *Time.* Loans shall be available through December 31, 1948.

(c) *Source.* Loans shall be made available to producers direct by CCC field offices and by lending agencies under lending agency agreements with CCC.

§ 268.203 *Approved lending agencies.* An approved lending agency shall be any bank, cooperative marketing association, corporation, partnership, individual, or other legal entity with which the CCC has entered into a Lending Agency Agreement (Form PMA-97) or other form prescribed by CCC.

§ 268.204 *Eligible producer.* An eligible producer shall be any individual, partnership, association, corporation, or other legal entity producing oats in 1948, as landowner, landlord, tenant, or sharecropper.

§ 268.205 *Eligible oats.* Eligible oats shall be oats which were produced in 1948, the beneficial interest in which is now in the producer, and always has been in him or in him and a former producer whom he succeeded before the oats were harvested; *Provided*, such oats grade No. 3 or better in accordance with Official Grain Standards and do not grade weevily, smutty, ergoty, garlicky, bleached, thin, or tough. (Oats containing in excess of 14.5 percent moisture grade tough and are not eligible.) When stored on the farm the oats must have been stored in the granary at least 30 days prior to inspection for measurement, sampling, and sealing unless otherwise approved by the State PMA Committee.

§ 268.206 *Eligible storage.* Eligible storage for oats shall meet the following requirements:

(a) Eligible farm storage shall consist of farm bins and granaries which, as determined by the county committee, are of such substantial and permanent construction as to afford safe storage of the oats, permit effective fumigation for the destruction of insects, and afford protection against rodents, other animals, thieves, and weather.

(b) Eligible warehouse storage shall consist of (1) public grain warehouses for which a Uniform Grain Storage Agreement (CCC Form H, Revised) has been executed (Warehousemen desiring approval should communicate with the CCC field office serving the area in which the warehouse is located.); or (2) warehouses operated by Eastern common carriers under tariffs approved by the Interstate Commerce Commission. A list of approved warehouses will be furnished State and county committees.

§ 268.207 *Approved form.* The approved forms consist of the loan documents which, together with the provisions of this bulletin, govern the rights and responsibilities of the producer, and should be read carefully. Any fraudulent representation made by a producer in obtaining a loan or in executing any of the loan documents, will render him subject to prosecution under the United States Criminal Code.

Notes and chattel mortgages, and note and loan agreements, must be dated prior to January 1, 1949, with State and documentary revenue stamps affixed thereto where required by law. Notes and chattel mortgages, and note and loan agreements, executed by an administrator, executor, or trustee will be acceptable only where legally valid.

(a) *Farm storage loans.* Approved forms shall consist of the producer's note on CCC Commodity Form A, secured by a chattel mortgage on CCC Commodity Form AA.

(b) *Warehouse storage loans.* Approved forms shall consist of the note and loan agreement on CCC Commodity Form B, secured by negotiable warehouse receipts representing the oats stored in approved warehouses. All oats pledged as security for a loan on a single CCC Commodity Form B must be stored in the same warehouse.

(c) *Warehouse receipts.* Oats stored in eligible warehouse storage under the loan program must be represented by warehouse receipts which satisfy the following requirements:

(1) Warehouse receipts must be issued in the name of the producer, must be properly endorsed in blank so as to vest title in the holder, and must be issued by an approved warehouse.

(2) Each warehouse receipt should set forth in its written terms that the oats are insured for not less than market value against the hazards of fire, lightning, inherent explosion, windstorm, cyclone, and tornado, or, in lieu of this statement, it must have stamped or printed thereon the word "Insured."

(3) Liens for warehouse charges will be recognized by CCC but only from May 15, 1948, or the date of the warehouse receipt, whichever is later.

(4) Each warehouse receipt, or the warehouseman's supplemental certificate (in duplicate) properly identified with the warehouse receipt, must show the gross weight and grade, test weight and all special grading factors.

(5) In the case of warehouse receipts issued for oats delivered by rail or barge, CCC will accept inbound weight and inspection certificates properly identified with the oats covered thereby in lieu of the information required by subparagraph (4) of this paragraph. In areas where licensed inspectors are not available at terminal and subterminal warehouses, CCC will accept inspection certificates based on representative samples which have been forwarded to and graded by licensed grain inspectors.

§ 268.208 *Determination of quantity.* A bushel shall be 32 pounds of oats when determined by weight, or 1.25 cubic feet of oats testing 32 pounds per bushel when determined by measurement. A deduction of ¾ of a pound for each sack will be made in determining the net quantity of the oats when stored as sacked oats. In determining the quantity of oats in farm storage by measurement, fractional pounds of test weight per bushel will be

disregarded, and the quantity determined as above will be the following percentages of the quantity determined for 32 pound oats:

For oats testing	Percent
40 pounds or over	125
39 pounds or over, but less than 40 pounds	121
38 pounds or over, but less than 39 pounds	118
37 pounds or over, but less than 38 pounds	115
36 pounds or over, but less than 37 pounds	112
35 pounds or over, but less than 36 pounds	109
34 pounds or over, but less than 35 pounds	106
33 pounds or over, but less than 34 pounds	103
32 pounds or over, but less than 33 pounds	100
31 pounds or over, but less than 32 pounds	96
30 pounds or over, but less than 31 pounds	93
29 pounds or over, but less than 30 pounds	90
28 pounds or over, but less than 29 pounds	87
27 pounds or over, but less than 28 pounds	84

§ 268.209 *Determination of dockage.* Since dockage is not a grade factor in the case of oats, the quantity of oats will be determined without reference to dockage.

§ 268.210 *Liens.* The oats must be free and clear of all liens and encumbrances, or if liens or encumbrances exist on the oats, proper waivers must be obtained.

§ 268.211 *Service fees.* Where the oats under loan are farm-stored the producer shall pay a service fee of 1 cent per bushel on the number of bushels placed under loan, or $3.00 whichever is greater, and where the oats under loan are warehouse-stored the producer shall pay a service fee of ½ cent per bushel on the number of bushels placed under loan, or $1.50 whichever is greater.

§ 268.212 *Set-offs.* A producer who is listed on the county debt register as indebted to any agency or corporation of the United States Department of Agriculture shall designate the agency or corporation to which he is indebted as the payee of the proceeds of the loan to the extent of such indebtedness, but not to exceed that portion of the proceeds remaining after deduction of the service fees and amounts due prior lien-holders. Indebtedness owing to the CCC shall be given first consideration after claims of prior lienholders.

§ 268.213 *Interest rate.* Loans shall bear interest at the rate of 3 percent per annum; and interest shall accrue from the date of disbursement of the loan, notwithstanding the printed provisions of the note.

§ 268.214 *Transfer of producer's equity.* The right of the producer to transfer either his right to redeem the oats under loan or his remaining interest may be restricted by CCC.

§ 268.215 *Safeguarding of the oats.* The producer obtaining a farm-storage loan is obligated to maintain the farm-storage structures in good repair, and to keep the oats in good condition.

§ 268.216 *Insurance.* CCC will not require the producer to insure the oats placed under farm-storage loan; however, if the producer does insure such oats such insurance shall inure to the benefit of CCC to the extent of its interest, after first satisfying the producer's equity in the oats involved in the loss.

§ 268.217 *Loss or damage to the oats.* The producer is responsible for any loss in quantity or quality of the oats placed under farm-storage loan, except that uninsured physical loss or damage occurring without fault, negligence, or conversion on the part of the producer resulting solely from an external cause other than insect infestation or vermin will be assumed by CCC, provided the producer has given the county committee immediate notice in writing of such loss or damage, and provided there has been no fraudulent representation made by the producer in the loan documents or in obtaining the loan.

§ 268.218 *Personal liability.* The making of any fraudulent representation by the producer in the loan documents, or in obtaining the loan, or the conversion or unlawful disposition of any portion of the oats by him, shall render the producer personally liable for the amount of the loan and for any resulting expense incurred by any holder of the note.

§ 268.219 *Maturity and satisfaction.* Loans mature on demand but not later than April 30, 1949. In the case of farm-storage loans, the producer is required to pay off his loan on or before maturity, or to deliver the mortgaged oats in accordance with the instructions of the county committee. Credit will be given for the total quantity delivered, provided it was stored in the bins in which the oats under loan were stored, at the applicable loan rate, according to grade and/or quality. If the settlement value of the oats delivered exceeds the amount due on the loan, the amount of the excess shall be paid to the producer. If the settlement value of the oats is less than the amount due on the loan, the amount of the deficiency, plus interest, shall be paid by the producer to CCC, or may be set off against any payment which would otherwise be made to the producer under any agricultural programs administered by the Secretary of Agriculture, or any other payments which are due or may become due to the producer from CCC or any other agency of the United States. In the event the farm is sold or there is a change of tenancy, the oats may be delivered before the maturity date of the loan upon prior approval by the county committee. In the case of warehouse-storage loans, if the producer does not repay his loan upon maturity CCC shall have the right to sell or pool the oats in satisfaction of the loan in accordance with the provisions of the note and loan agreement and § 268.220.

§ 268.220 *Removal of the oats under loan.* If the loan is not satisfied upon maturity by payment or delivery, the holder of the note may remove the oats and sell them, either by separate contract or after pooling them with other lots of oats similarly held. The producer has no right of redemption after the oats are pooled, but shall share ratably in any overplus remaining upon liquidation of the pool. CCC shall have the right to treat the pooled oats as a reserve supply to be marketed under such sales policies as CCC determines will promote orderly marketing, protect the interests of producers and consumers, and not unduly impair the market for the current crop of the oats, even though part or all of such pooled oats are disposed of under such policies at prices less than the current domestic price for such oats. Any sum due the producer as a result of the sale of the oats or of insurance proceeds thereon, or any ratable share resulting from the liquidation of a pool, shall be payable only to the producer without right of assignment by him.

§ 268.221 *Release of the oats under loan.* A producer may at any time obtain release of the oats remaining under loan by paying to the holder of the note, or note and loan agreement, the principal amount thereof, plus interest. If the note is held by an out-of-town lending agency or by CCC, the producer may request that the note be forwarded to a local bank for collection. In such case, where CCC is the holder of the note, the local bank will be instructed to return the note if payment is not effected within 15 days. All charges in connection with the collection of the note shall be paid by the producer. Upon payment of a farm-storage loan, the county committee should be requested to release the mortgage by filing an instrument of release or by a marginal release on the county records. Partial release of the oats prior to maturity may be arranged with the county committee by paying to the holder of the note the amount of the loan and accrued interest represented by the quantity of the oats to be released. In the case of warehouse-storage loans, each partial release must cover all of the oats under one warehouse receipt number.

§ 268.222 *Purchase of notes.* CCC will purchase, from approved lending agencies, notes evidencing approved loans which are secured by chattel mortgages or negotiable warehouse receipts. The purchase price to be paid by CCC will be the principal sums remaining due on such notes, plus accrued interest from the date of disbursement to the date of purchase at the rate of 1½ percent per annum. Lending agencies are required to submit a weekly report to CCC and to the county committees on CCC Commodity Form F, or such other form as CCC may prescribe, of all payments received on producers' notes held by them, and are required to remit promptly to CCC an amount equivalent to 1½ percent interest per annum, on the amount of the principal collected, from the date of disbursement to the date of payment. Lending agencies should submit notes and reports to the CCC field office serving the area.

§ 268.223 *CCC field offices.* The CCC field offices and the areas served by them, are shown below:

Address and Area
449 West Peachtree Street NE., Atlanta 3, Ga.: Alabama, Florida, Georgia, Kentucky,

Mississippi, North Carolina, South Carolina, Tennessee, Virginia.

623 South Wabash Avenue, Chicago 5, Ill.: Illinois, Indiana, Iowa, Michigan, Ohio.

1114 Commerce Street, Dallas 2, Tex.: Arkansas, Louisiana, New Mexico, Oklahoma, Texas.

417 East Thirteenth Street, Kansas City 6, Mo.: Colorado, Kansas, Missouri, Nebraska, Wyoming.

328 McKnight Building, Minneapolis 1, Minn.: Minnesota, Montana, North Dakota, South Dakota, Wisconsin.

67 Broad Street, Room 1304, New York 4, N. Y.: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, West Virginia.

515 Southwest Tenth Avenue, Portland 5, Oreg.: Idaho, Oregon, Washington.

30 Van Ness Avenue, San Francisco 2, Calif.: Arizona, California, Nevada, Utah.

§ 268.224 *Loan rates.* (a) Loan rates per bushel of eligible oats for the respective States and counties, basis No. 3 or better are set forth below. In case of oats stored in warehouses, whether terminal, subterminal, or at country points, the loan rate will be that established for the county in which the elevator is located. No adjustment will be made in the loan rate for freight paid in case of rail movement.

ALABAMA

	Rate
All counties	$0.82

ARIZONA

All counties	.74

ARKANSAS

All counties	.75

CALIFORNIA

County	Rate	County	Rate
Alameda	$0.79	Plumas	$0.72
Alpine	.77	Riverside	.77
Amador	.77	Sacramento	.77
Butte	.76	San Benito	.77
Calaveras	.77	San Bernardino	.77
Colusa	.77	San Diego	.77
Contra Costa	.79	San Joaquin	.78
Del Norte	.77	San Luis Obispo	.77
Eldorado	.76	San Mateo	.79
Fresno	.77	Santa Barbara	.77
Glenn	.76	Santa Clara	.79
Humboldt	.75	Santa Cruz	.78
Imperial	.77	Shasta	.75
Inyo	.77	Sierra	.72
Kern	.77	Siskiyou	.71
Kings	.77	Solano	.79
Lake	.77	Sonoma	.78
Lassen	.72	Stanislaus	.78
Los Angeles	.79	Sutter	.77
Madera	.77	Tehama	.75
Marin	.79	Trinity	.77
Mariposa	.77	Tulare	.77
Mendocino	.77	Tuolumne	.77
Merced	.77	Ventura	.79
Modoc	.71	Yolo	.77
Monterey	.77	Yuba	.77
Napa	.78		
Nevada	.72		
Orange	.77		
Placer	.77		

COLORADO

	Rate
All counties	$0.68

CONNECTICUT

All counties	.80

DELAWARE

All counties	.79

FLORIDA

All counties	.82

GEORGIA

All counties	.82

IDAHO

County	Rate	County	Rate
Ada	$0.65	Gem	$0.65
Adams	.65	Gooding	.67
Bannock	.67	Idaho	.65
Bear Lake	.67	Jefferson	.67
Benewah	.65	Jerome	.67
Bingham	.67	Kootenai	.65
Blaine	.67	Latah	.65
Boise	.65	Lemhi	.65
Bonner	.65	Lewis	.65
Bonneville	.67	Lincoln	.67
Boundary	.65	Madison	.67
Butte	.67	Minidoka	.67
Camas	.67	Nez Perce	.65
Canyon	.65	Oneida	.67
Caribou	.67	Owyhee	.65
Cassia	.67	Payette	.65
Clark	.67	Power	.67
Clearwater	.65	Shoshone	.65
Custer	.65	Teton	.67
Elmore	.65	Twin Falls	.67
Franklin	.67	Valley	.65
Fremont	.67	Washington	.65

ILLINOIS

Adams	$0.70	Lee	$0.71
Alexander	.70	Livingston	.71
Bond	.71	Logan	.71
Boone	.71	McDonough	.70
Brown	.70	McHenry	.71
Bureau	.71	McLean	.71
Calhoun	.71	Macon	.71
Carroll	.70	Macoupin	.71
Cass	.71	Madison	.72
Champaign	.71	Marion	.71
Christian	.71	Marshall	.71
Clark	.71	Mason	.71
Clay	.71	Massac	.70
Clinton	.71	Menard	.71
Coles	.71	Mercer	.70
Cook	.72	Monroe	.71
Crawford	.71	Montgomery	.71
Cumberland	.71	Morgan	.71
De Kalb	.71	Moultrie	.71
De Witt	.71	Ogle	.71
Douglas	.71	Peoria	.71
Du Page	.72	Perry	.71
Edgar	.71	Piatt	.71
Edwards	.71	Pike	.70
Effingham	.71	Pope	.70
Fayette	.71	Pulaski	.70
Ford	.71	Putnam	.71
Franklin	.71	Randolph	.71
Fulton	.70	Richland	.71
Gallatin	.70	Rock Island	.70
Greene	.71	St. Clair	.71
Grundy	.71	Saline	.70
Hamilton	.71	Sangamon	.71
Hancock	.70	Schuyler	.70
Hardin	.70	Scott	.71
Henderson	.70	Shelby	.71
Henry	.70	Stark	.71
Iroquois	.71	Stephenson	.70
Jackson	.71	Tazewell	.71
Jasper	.71	Union	.70
Jefferson	.71	Vermilion	.71
Jersey	.71	Wabash	.71
Jo Daviess	.70	Warren	.70
Johnson	.70	Washington	.71
Kane	.72	Wayne	.71
Kankakee	.71	White	.71
Kendall	.71	Whiteside	.70
Knox	.70	Will	.72
Lake	.72	Williamson	.70
La Salle	.71	Winnebago	.71
Lawrence	.71	Woodford	.71

INDIANA

Adams	$0.73	Clay	$0.72
Allen	.73	Clinton	.73
Bartholomew	.73	Crawford	.72
Benton	.72	Daviess	.72
Blackford	.73	Dearborn	.73
Boone	.73	Decatur	.73
Brown	.73	De Kalb	.73
Carroll	.73	Delaware	.73
Cass	.73	Dubois	.72
Clark	.73	Elkhart	.73

INDIANA—continued

Fayette	$0.73	Noble	$0.73
Floyd	.73	Ohio	.73
Fountain	.72	Orange	.73
Franklin	.73	Owen	.72
Fulton	.73	Parke	.72
Gibson	.72	Perry	.72
Grant	.73	Pike	.72
Greene	.72	Porter	.73
Hamilton	.73	Posey	.72
Hancock	.73	Pulaski	.73
Harrison	.72	Putnam	.73
Hendricks	.73	Randolph	.73
Henry	.73	Ripley	.73
Howard	.73	Rush	.73
Huntington	.73	St. Joseph	.73
Jackson	.73	Scott	.73
Jasper	.72	Shelby	.73
Jay	.73	Spencer	.72
Jefferson	.73	Starke	.73
Jennings	.73	Steuben	.73
Johnson	.73	Sullivan	.72
Knox	.72	Switzerland	.73
Kosciusko	.73	Tippecanoe	.73
Lagrange	.73	Tipton	.73
Lake	.73	Union	.73
La Porte	.73	Vanderburgh	.72
Lawrence	.72	Vermillion	.72
Madison	.73	Vigo	.72
Marion	.73	Wabash	.73
Marshall	.73	Warren	.72
Martin	.72	Warrick	.72
Miami	.73	Washington	.73
Monroe	.72	Wayne	.73
Montgomery	.73	Wells	.73
Morgan	.73	White	.73
Newton	.72	Whitley	.73

IOWA

Adair	$0.68	Jefferson	$0.69
Adams	.68	Johnson	.70
Allamakee	.69	Jones	.70
Appanoose	.69	Keokuk	.69
Audubon	.68	Kossuth	.68
Benton	.70	Lee	.70
Black Hawk	.69	Linn	.70
Boone	.68	Louisa	.70
Bremer	.69	Lucas	.69
Buchanan	.69	Lyon	.67
Buena Vista	.68	Madison	.68
Butler	.69	Mahaska	.69
Calhoun	.68	Marion	.69
Carroll	.68	Marshall	.69
Cass	.68	Mills	.68
Cedar	.70	Mitchell	.68
Cerro Gordo	.68	Monona	.67
Cherokee	.67	Monroe	.69
Chickasaw	.69	Montgomery	.68
Clarke	.68	Muscatine	.70
Clay	.68	O'Brien	.67
Clayton	.69	Osceola	.67
Clinton	.70	Page	.68
Crawford	.68	Palo Alto	.68
Dallas	.68	Plymouth	.67
Davis	.70	Pocahontas	.68
Decatur	.69	Polk	.69
Delaware	.70	Pottawattamie	.68
Des Moines	.70	Poweshiek	.69
Dickinson	.67	Ringgold	.68
Dubuque	.70	Sac	.68
Emmet	.68	Scott	.70
Fayette	.69	Shelby	.68
Floyd	.68	Sioux	.67
Franklin	.69	Story	.69
Fremont	.68	Tama	.69
Greene	.68	Taylor	.68
Grundy	.69	Union	.68
Guthrie	.68	Van Buren	.70
Hamilton	.68	Wapello	.69
Hancock	.68	Warren	.68
Hardin	.69	Washington	.70
Harrison	.68	Wayne	.69
Henry	.70	Webster	.68
Howard	.69	Winnebago	.68
Humboldt	.68	Winneshiek	.69
Ida	.68	Woodbury	.67
Iowa	.69	Worth	.68
Jackson	.70	Wright	.68
Jasper	.69		

KANSAS

County	Rate	County	Rate
Allen	$0.70	Linn	$0.70
Anderson	.70	Logan	.66
Atchison	.70	Lyon	.69
Barber	.72	McPherson	.68
Barton	.67	Marion	.68
Bourbon	.70	Marshall	.69
Brown	.69	Meade	.70
Butler	.72	Miami	.70
Chase	.69	Mitchell	.67
Chautauqua	.73	Montgomery	.73
Cherokee	.73	Morris	.68
Cheyenne	.66	Morton	.70
Clark	.71	Nemaha	.69
Clay	.68	Neosho	.72
Cloud	.68	Ness	.67
Coffey	.70	Norton	.67
Comanche	.71	Osage	.69
Cowley	.73	Osborne	.67
Crawford	.72	Ottawa	.68
Decatur	.67	Pawnee	.70
Dickinson	.68	Phillips	.67
Doniphan	.69	Pottawatomie	.69
Douglas	.70	Pratt	.71
Edwards	.70	Rawlins	.66
Elk	.72	Reno	.70
Ellis	.67	Republic	.68
Ellsworth	.67	Rice	.68
Finney	.69	Riley	.69
Ford	.69	Rooks	.67
Franklin	.70	Rush	.67
Geary	.68	Russell	.67
Gove	.66	Saline	.68
Graham	.67	Scott	.66
Grant	.69	Sedgwick	.72
Gray	.69	Seward	.70
Greeley	.66	Shawnee	.69
Greenwood	.70	Sheridan	.66
Hamilton	.69	Sherman	.66
Harper	.73	Smith	.67
Harvey	.70	Stafford	.70
Haskell	.69	Stanton	.69
Hodgeman	.69	Stevens	.70
Jackson	.69	Sumner	.73
Jefferson	.70	Thomas	.66
Jewell	.68	Trego	.67
Johnson	.70	Wabaunsee	.69
Kearny	.69	Wallace	.66
Kingman	.71	Washington	.68
Kiowa	.70	Wichita	.66
Labette	.73	Wilson	.72
Lane	.66	Woodson	.70
Leavenworth	.70	Wyandotte	.70
Lincoln	.67		

KENTUCKY

	Rate
All counties	$0.76

LOUISIANA

All counties	.82

MAINE

All counties	.80

MARYLAND

All counties	.79

MASSACHUSETTS

All counties	.80

MICHIGAN

County	Rate	County	Rate
Alcona	$0.71	Delta	$0.70
Alger	.70	Dickinson	.70
Allegan	.73	Eaton	.73
Alpena	.71	Emmet	.71
Antrim	.71	Genesee	.74
Arenac	.71	Gladwin	.73
Baraga	.69	Gogebic	.69
Barry	.73	Grand Traverse	.71
Bay	.73	Gratiot	.73
Benzie	.71	Hillsdale	.74
Berrien	.73	Houghton	.69
Branch	.73	Huron	.73
Calhoun	.73	Ingham	.73
Cass	.73	Ionia	.73
Charlevoix	.71	Iosco	.73
Cheboygan	.71	Iron	.70
Chippewa	.70	Isabella	.73
Clare	.73	Jackson	.74
Clinton	.73	Kalamazoo	.73
Crawford	.71		

MICHIGAN—continued

County	Rate	County	Rate
Kalkaska	$0.71	Newaygo	$0.73
Kent	.73	Oakland	.74
Keweenaw	.69	Oceana	.73
Lake	.73	Ogemaw	.71
Lapeer	.74	Ontonagon	.69
Leelanau	.71	Osceola	.73
Lenawee	.74	Oscoda	.71
Livingston	.74	Otsego	.71
Luce	.70	Ottawa	.73
Mackinac	.70	Presque Isle	.71
Macomb	.75	Roscommon	.71
Manistee	.71	Saginaw	.73
Marquette	.70	St. Clair	.75
Mason	.73	St. Joseph	.73
Mecosta	.73	Sanilac	.74
Menominee	.70	Schoolcraft	.70
Midland	.73	Shiawassee	.73
Missaukee	.71	Tuscola	.74
Monroe	.75	Van Buren	.73
Montcalm	.73	Washtenaw	.74
Montmorency	.71	Wayne	.75
Muskegon	.73	Wexford	.71

MINNESOTA

Aitkin	$0.66	Marshall	$0.64
Anoka	.68	Martin	.66
Becker	.65	Meeker	.67
Beltrami	.65	Mille Lacs	.66
Benton	.67	Morrison	.66
Big Stone	.66	Mower	.67
Blue Earth	.67	Murray	.66
Brown	.66	Nicollet	.67
Carlton	.67	Nobles	.66
Carver	.68	Norman	.65
Cass	.66	Olmsted	.68
Chippewa	.66	Otter Tail	.66
Chisago	.67	Pennington	.65
Clay	.65	Pine	.67
Clearwater	.65	Pipestone	.66
Cook	.66	Polk	.65
Cottonwood	.66	Pope	.66
Crow Wing	.66	Ramsey	.68
Dakota	.68	Red Lake	.65
Dodge	.67	Redwood	.66
Douglas	.66	Renville	.66
Faribault	.66	Rice	.67
Fillmore	.68	Rock	.66
Freeborn	.66	Roseau	.64
Goodhue	.67	St. Louis	.66
Grant	.66	Scott	.68
Hennepin	.68	Sherburne	.67
Houston	.68	Sibley	.67
Hubbard	.66	Stearns	.67
Isanti	.67	Steele	.67
Itasca	.66	Stevens	.66
Jackson	.66	Swift	.66
Kanabec	.67	Todd	.66
Kandiyohi	.67	Traverse	.65
Kittson	.64	Wabasha	.67
Koochiching	.64	Wadena	.66
Lac Qui Parle	.66	Waseca	.67
Lake	.66	Washington	.68
Lake of the Woods	.65	Watonwan	.66
Le Sueur	.67	Wilkin	.65
Lincoln	.66	Winona	.68
Lyon	.66	Wright	.67
McLeod	.67	Yellow Medicine	.66
Mahnomen	.65		

MISSISSIPPI

All counties	$0.82

MISSOURI

County	Rate	County	Rate
Adair	$0.70	Camden	$0.70
Andrew	.70	Cape Girardeau	.70
Atchison	.69	Carroll	.70
Audrain	.71	Carter	.70
Barry	.70	Cass	.70
Barton	.70	Cedar	.69
Bates	.69	Chariton	.70
Benton	.69	Christian	.69
Bollinger	.70	Clark	.70
Boone	.71	Clay	.70
Buchanan	.70	Clinton	.70
Butler	.70	Cole	.70
Caldwell	.70	Cooper	.70
Callaway	.71		

MISSOURI—continued

County	Rate	County	Rate
Crawford	$0.71	New Madrid	$0.69
Dade	.69	Newton	.71
Dallas	.69	Nodaway	.69
Daviess	.69	Oregon	.69
De Kalb	.70	Osage	.71
Dent	.70	Ozark	.69
Douglas	.69	Pemiscot	.69
Dunklin	.69	Perry	.71
Franklin	.72	Pettis	.70
Gasconade	.71	Phelps	.70
Gentry	.69	Pike	.71
Greene	.69	Platte	.70
Grundy	.69	Polk	.69
Harrison	.69	Pulaski	.70
Henry	.69	Putnam	.69
Hickory	.69	Ralls	.71
Holt	.69	Randolph	.70
Howard	.70	Ray	.70
Howell	.69	Reynolds	.70
Iron	.70	Ripley	.70
Jackson	.70	St. Charles	.72
Jasper	.70	St. Clair	.69
Jefferson	.72	St. Francois	.71
Johnson	.70	St. Louis	.72
Knox	.70	Ste. Genevieve	.71
Laclede	.69	Saline	.70
Lafayette	.70	Schuyler	.70
Lawrence	.70	Scotland	.70
Lewis	.71	Scott	.70
Lincoln	.72	Shannon	.69
Linn	.70	Shelby	.70
Livingston	.69	Stoddard	.70
McDonald	.71	Stone	.70
Macon	.70	Sullivan	.69
Madison	.71	Taney	.69
Maries	.71	Texas	.69
Marion	.71	Vernon	.69
Mercer	.69	Warren	.72
Miller	.70	Washington	.71
Mississippi	.69	Wayne	.70
Moniteau	.70	Webster	.69
Monroe	.70	Worth	.69
Montgomery	.71	Wright	.69
Morgan	.70		

MONTANA

Beaverhead	$0.62	McCone	$0.62
Big Horn	.62	Madison	.62
Blaine	.62	Meagher	.62
Broadwater	.62	Mineral	.63
Carbon	.62	Missoula	.62
Carter	.62	Musselshell	.62
Cascade	.62	Park	.62
Chouteau	.62	Petroleum	.62
Custer	.62	Phillips	.62
Daniels	.62	Pondera	.62
Dawson	.62	Powder River	.62
Deer Lodge	.62	Powell	.62
Fallon	.62	Prairie	.62
Fergus	.62	Ravalli	.62
Flathead	.62	Richland	.62
Gallatin	.62	Roosevelt	.62
Garfield	.62	Rosebud	.62
Glacier	.62	Sanders	.63
Golden Valley	.62	Sheridan	.62
Granite	.62	Silver Bow	.62
Hill	.62	Stillwater	.62
Jefferson	.62	Sweet Grass	.62
Judith Basin	.62	Teton	.62
Lake	.62	Toole	.62
Lewis and Clark	.62	Treasure	.62
Liberty	.62	Valley	.62
Lincoln	.63	Wheatland	.62
		Wibaux	.62
		Yellowstone	.62

NEBRASKA

Adams	$0.68	Butler	$0.68
Antelope	.66	Cass	.68
Arthur	.64	Cedar	.66
Banner	.63	Chase	.65
Blaine	.65	Cherry	.64
Boone	.67	Cheyenne	.65
Box Butte	.63	Clay	.68
Boyd	.66	Colfax	.63
Brown	.65	Cuming	.67
Buffalo	.66	Custer	.65
Burt	.68	Dakota	.67

NEBRASKA—continued

County	Rate	County	Rate
Dawes	$0.63	McPherson	$0.65
Dawson	.66	Madison	.67
Deuel	.64	Merrick	.67
Dixon	.67	Morrill	.63
Dodge	.68	Nance	.67
Douglas	.68	Nemaha	.69
Dundy	.65	Nuckolls	.68
Fillmore	.68	Otoe	.68
Franklin	.67	Pawnee	.69
Frontier	.66	Perkins	.65
Furnas	.67	Phelps	.67
Gage	.69	Pierce	.67
Garden	.64	Platte	.67
Garfield	.66	Polk	.67
Gosper	.67	Redwillow	.66
Grant	.64	Richardson	.69
Greeley	.66	Rock	.65
Hall	.66	Saline	.68
Hamilton	.67	Sarpy	.68
Harlan	.67	Saunders	.68
Hayes	.66	Scotts Bluff	.63
Hitchcock	.66	Seward	.68
Holt	.66	Sheridan	.64
Hooker	.63	Sherman	.66
Howard	.66	Sioux	.63
Jefferson	.68	Stanton	.67
Johnson	.69	Thayer	.68
Kearney	.67	Thomas	.65
Keith	.64	Thurston	.67
Keyapaha	.65	Valley	.66
Kimball	.65	Washington	.68
Knox	.66	Wayne	.67
Lancaster	.68	Webster	.67
Lincoln	.65	Wheeler	.66
Logan	.65	York	.67
Loup	.65		

NEVADA

	Rate
All counties	$0.74

NEW HAMPSHIRE

All counties	.80

NEW JERSEY

All counties	.79

NEW MEXICO

All counties	.71

NEW YORK

All counties	.78

NORTH CAROLINA

All counties	.82

NORTH DAKOTA

County	Rate	County	Rate
Adams	$0.62	McLean	$0.63
Barnes	.65	Mercer	.63
Benson	.64	Morton	.63
Billings	.62	Mountrail	.62
Bottineau	.63	Nelson	.64
Bowman	.62	Oliver	.63
Burke	.62	Pembina	.64
Burleigh	.63	Pierce	.64
Cass	.65	Ramsey	.64
Cavalier	.64	Ransom	.65
Dickey	.65	Renville	.63
Divide	.62	Richland	.65
Dunn	.62	Rolette	.63
Eddy	.64	Sargent	.65
Emmons	.63	Sheridan	.64
Foster	.64	Sioux	.63
Golden Valley	.62	Slope	.62
Grand Forks	.65	Stark	.62
Grant	.63	Steele	.65
Griggs	.65	Stutsman	.64
Hettinger	.62	Towner	.64
Kidder	.64	Traill	.65
La Moure	.64	Walsh	.64
Logan	.64	Ward	.63
McHenry	.63	Wells	.64
McIntosh	.64	Williams	.62
McKenzie	.62		

OHIO

County	Rate	County	Rate
Adams	$0.74	Auglaize	$0.74
Allen	.75	Belmont	.75
Ashland	.75	Brown	.74
Ashtabula	.75	Butler	.74
Athens	.75	Carroll	.75

OHIO—continued

County	Rate	County	Rate
Champaign	$0.74	Mahoning	$0.75
Clark	.74	Marion	.75
Clermont	.74	Medina	.75
Clinton	.74	Meigs	.74
Columbiana	.75	Mercer	.74
Coshocton	.75	Miami	.74
Crawford	.75	Monroe	.75
Cuyahoga	.75	Montgomery	.74
Darke	.74	Morgan	.75
Defiance	.74	Morrow	.75
Delaware	.75	Muskingum	.75
Erie	.75	Noble	.75
Fairfield	.75	Ottawa	.75
Fayette	.74	Paulding	.74
Franklin	.75	Perry	.75
Fulton	.74	Pickaway	.75
Gallia	.74	Pike	.75
Geauga	.75	Portage	.75
Greene	.74	Preble	.74
Guernsey	.75	Putnam	.75
Hamilton	.74	Richland	.75
Hancock	.75	Ross	.75
Hardin	.75	Sandusky	.75
Harrison	.75	Scioto	.74
Henry	.74	Seneca	.75
Highland	.74	Shelby	.74
Hocking	.75	Stark	.75
Holmes	.75	Summit	.75
Huron	.75	Trumbull	.75
Jackson	.75	Tuscarawas	.75
Jefferson	.75	Union	.75
Knox	.75	Van Wert	.74
Lake	.75	Vinton	.75
Lawrence	.74	Warren	.74
Licking	.75	Washington	.75
Logan	.75	Wayne	.75
Lorain	.75	Williams	.74
Lucas	.75	Wood	.75
Madison	.75	Wyandot	.75

OKLAHOMA

Adair	$0.74	Le Flore	$0.74
Alfalfa	.73	Lincoln	.74
Atoka	.74	Logan	.74
Beaver	.72	Love	.74
Beckham	.74	McClain	.74
Blaine	.74	McCurtain	.74
Bryan	.74	McIntosh	.74
Caddo	.74	Major	.74
Canadian	.74	Marshall	.74
Carter	.74	Mayes	.73
Cherokee	.74	Murray	.74
Choctaw	.74	Muskogee	.74
Cimarron	.72	Noble	.74
Cleveland	.74	Nowata	.73
Coal	.74	Okfuskee	.74
Comanche	.74	Oklahoma	.74
Cotton	.74	Okmulgee	.74
Craig	.73	Osage	.73
Creek	.74	Ottawa	.73
Custer	.74	Pawnee	.74
Delaware	.73	Payne	.74
Dewey	.73	Pittsburg	.74
Ellis	.73	Pontotoc	.74
Garfield	.74	Pottawatomie	.74
Garvin	.74	Pushmataha	.74
Grady	.74	Roger Mills	.73
Grant	.73	Rogers	.73
Greer	.74	Seminole	.74
Harmon	.74	Sequoyah	.74
Harper	.72	Stephens	.74
Haskell	.74	Texas	.72
Hughes	.74	Tillman	.74
Jackson	.74	Tulsa	.74
Jefferson	.74	Wagoner	.74
Johnston	.74	Washington	.73
Kay	.73	Washita	.74
Kingfisher	.74	Woods	.73
Kiowa	.74	Woodward	.73
Latimer	.74		

OREGON

Baker	$0.66	Gilliam	$0.71
Benton	.71	Grant	.65
Clackamas	.72	Harney	.66
Columbia	.73	Hood River	.72
Crook	.69	Jackson	.68
Deschutes	.69	Jefferson	.69
Douglas	.69	Josephine	.68

OREGON—continued

County	Rate	County	Rate
Klamath	$0.68	Sherman	$0.71
Lake	.68	Umatilla	.69
Lane	.70	Union	.66
Linn	.71	Wallowa	.66
Malheur	.65	Wasco	.71
Marion	.72	Washington	.73
Morrow	.71	Wheeler	.69
Multnomah	.73	Yamhill	.72
Polk	.72		

PENNSYLVANIA

Adams	$0.78	Lackawanna	$0.77
Allegheny	.76	Lancaster	.78
Armstrong	.76	Lawrence	.76
Beaver	.76	Lebanon	.78
Bedford	.76	Lehigh	.78
Berks	.78	Luzerne	.77
Blair	.76	Lycoming	.77
Bradford	.77	McKean	.76
Bucks	.79	Mercer	.76
Butler	.76	Mifflin	.76
Cambria	.76	Monroe	.77
Cameron	.76	Montgomery	.79
Carbon	.77	Montour	.77
Centre	.76	Northampton	.77
Chester	.79	Northumberland	.77
Clarion	.76	Perry	.76
Clearfield	.76	Philadelphia	.79
Clinton	.76	Pike	.77
Columbia	.77	Potter	.76
Crawford	.76	Schuylkill	.77
Cumberland	.77	Snyder	.76
Dauphin	.77	Somerset	.76
Delaware	.79	Sullivan	.77
Elk	.76	Susquehanna	.77
Erie	.76	Tioga	.77
Fayette	.76	Union	.76
Forest	.76	Venango	.76
Franklin	.77	Warren	.76
Fulton	.76	Washington	.76
Greene	.76	Wayne	.77
Huntingdon	.76	Westmoreland	.76
Indiana	.76	Wyoming	.77
Jefferson	.76	York	.78
Juniata	.76		

RHODE ISLAND

	Rate
All counties	$0.80

SOUTH CAROLINA

All counties	.82

SOUTH DAKOTA

County	Rate	County	Rate
Armstrong	$0.63	Jackson	$0.63
Aurora	.65	Jerauld	.65
Beadle	.65	Jones	.63
Bennett	.64	Kingsbury	.65
Bon Homme	.66	Lake	.66
Brookings	.66	Lawrence	.62
Brown	.65	Lincoln	.66
Brule	.65	Lyman	.64
Buffalo	.65	McCook	.66
Butte	.62	McPherson	.64
Campbell	.64	Marshall	.65
Charles Mix	.65	Meade	.62
Clark	.65	Mellette	.64
Clay	.67	Miner	.65
Codington	.66	Minnehaha	.66
Corson	.63	Moody	.66
Custer	.62	Pennington	.62
Davison	.65	Perkins	.62
Day	.65	Potter	.64
Deuel	.66	Roberts	.66
Dewey	.63	Sanborn	.65
Douglas	.65	Shannon	.64
Edmunds	.64	Spink	.65
Fall River	.62	Stanley	.63
Faulk	.65	Sully	.64
Grant	.66	Todd	.64
Gregory	.65	Tripp	.65
Haakon	.62	Turner	.66
Hamlin	.66	Union	.67
Hand	.65	Walworth	.64
Hanson	.66	Washabaugh	.64
Harding	.62	Washington	.64
Hughes	.64	Yankton	.66
Hutchinson	.66	Ziebach	.62
Hyde	.64		

TENNESSEE

	Rate
All counties	$0.79

TEXAS

County	Rate	County	Rate
Anderson	$0.77	Hardin	$0.80
Andrews	.73	Harris	.82
Angelina	.78	Harrison	.77
Aransas	.78	Hartley	.73
Archer	.74	Haskell	.74
Armstrong	.74	Hays	.76
Austin	.79	Hemphill	.73
Bailey	.74	Henderson	.77
Bandera	.76	Hill	.77
Bastrop	.78	Hockley	.74
Baylor	.74	Hood	.76
Bee	.77	Hopkins	.75
Bell	.77	Houston	.78
Bexar	.76	Howard	.74
Blanco	.76	Hunt	.76
Borden	.74	Hutchinson	.73
Bosque	.76	Jack	.74
Bowie	.75	Jackson	.79
Brazoria	.80	Jasper	.79
Brazos	.78	Jefferson	.80
Briscoe	.74	Jim Wells	.77
Brown	.75	Johnson	.76
Burleson	.78	Jones	.74
Burnet	.76	Karnes	.77
Caldwell	.77	Kaufman	.76
Calhoun	.78	Kendall	.75
Callahan	.74	Kent	.74
Camp	.76	Kerr	.75
Carson	.74	Kimble	.75
Cass	.76	King	.74
Castro	.74	Kleberg	.77
Chambers	.80	Knox	.74
Cherokee	.77	Lamar	.75
Childress	.74	Lamb	.74
Clay	.74	Lampasas	.76
Cochran	.74	Lavaca	.78
Coke	.74	Lee	.78
Coleman	.74	Leon	.77
Collin	.76	Liberty	.80
Collingsworth	.74	Limestone	.77
Colorado	.80	Lipscomb	.73
Comal	.76	Live Oak	.77
Comanche	.75	Llano	.75
Concho	.74	Lubbock	.74
Cooke	.74	Lynn	.74
Coryell	.77	McCulloch	.75
Cottle	.74	McLennan	.77
Crosby	.74	Madison	.78
Dallam	.72	Marion	.76
Dallas	.76	Martin	.73
Dawson	.74	Mason	.75
Deaf Smith	.74	Matagorda	.80
Delta	.75	Medina	.76
Denton	.76	Menard	.75
De Witt	.78	Milam	.77
Dickens	.74	Mills	.76
Donley	.74	Mitchell	.74
Eastland	.74	Montague	.74
Ellis	.76	Montgomery	.80
Erath	.75	Moore	.73
Falls	.77	Morris	.76
Fannin	.75	Motley	.74
Fayette	.78	Nacogdoches	.78
Fisher	.74	Navarro	.77
Floyd	.74	Newton	.79
Foard	.74	Nolan	.74
Fort Bend	.80	Nueces	.77
Franklin	.76	Ochiltree	.73
Freestone	.77	Oldham	.74
Gaines	.74	Orange	.80
Galveston	.82	Palo Pinto	.74
Garza	.74	Panola	.77
Gillespie	.75	Parker	.75
Goliad	.78	Parmer	.74
Gonzales	.77	Polk	.79
Gray	.74	Potter	.74
Grayson	.75	Rains	.76
Gregg	.77	Randall	.74
Grimes	.78	Red River	.75
Guadalupe	.77	Refugio	.78
Hale	.74	Roberts	.73
Hall	.74	Robertson	.77
Hamilton	.76	Rockwall	.76
Hansford	.73	Runnels	.74
Hardeman	.74	Rusk	.77
		Sabine	.78

TEXAS—continued

County	Rate	County	Rate
San Augustine	$0.78	Tom Green	$0.74
San Jacinto	.79	Travis	.77
San Patricio	.77	Trinity	.78
San Saba	.76	Tyler	.79
Scurry	.74	Upshur	.76
Shackelford	.74	Van Zandt	.76
Shelby	.78	Victoria	.78
Sherman	.72	Walker	.78
Smith	.77	Waller	.80
Somervell	.76	Washington	.78
Stephens	.74	Wharton	.80
Sterling	.73	Wheeler	.74
Stonewall	.74	Wichita	.74
Swisher	.74	Wilbarger	.74
Tarrant	.76	Williamson	.77
Taylor	.74	Wilson	.77
Terry	.74	Wise	.75
Throckmorton	.74	Wood	.76
Titus	.76	Yoakum	.74
		Young	.74

UTAH

	Rate
All counties	0.71

VERMONT

	Rate
All counties	.80

VIRGINIA

	Rate
All counties	.80

WASHINGTON

County	Rate	County	Rate
Adams	$0.67	Lewis	$0.71
Asotin	.67	Lincoln	.67
Benton	.69	Mason	.69
Chelan	.67	Okanogan	.65
Clallam	.69	Pacific	.69
Clark	.72	Pend Oreille	.65
Columbia	.68	Pierce	.69
Cowlitz	.71	San Juan	.69
Douglas	.65	Skagit	.69
Ferry	.65	Skamania	.71
Franklin	.67	Snohomish	.69
Garfield	.68	Spokane	.67
Grant	.67	Stevens	.65
Grays Harbor	.69	Thurston	.69
Island	.69	Wahkiakum	.69
Jefferson	.69	Walla Walla	.68
King	.69	Whatcom	.69
Kitsap	.69	Whitman	.67
Kittitas	.69	Yakima	.69
Klickitat	.71		

WEST VIRGINIA

	Rate
All counties	$0.78

WISCONSIN

County	Rate	County	Rate
Adams	$0.69	Lafayette	$0.69
Ashland	.66	Langlade	.68
Barron	.67	Lincoln	.68
Bayfield	.66	Manitowoc	.70
Brown	.69	Marathon	.69
Buffalo	.68	Marinette	.68
Burnett	.67	Marquette	.69
Calumet	.70	Milwaukee	.72
Chippewa	.68	Monroe	.69
Clark	.68	Oconto	.69
Columbia	.70	Oneida	.68
Crawford	.69	Outagamie	.69
Dane	.70	Ozaukee	.70
Dodge	.70	Pepin	.68
Door	.69	Pierce	.68
Douglas	.67	Polk	.67
Dunn	.68	Portage	.69
Eau Claire	.68	Price	.68
Florence	.68	Racine	.72
Fond du Lac	.70	Richland	.69
Forest	.68	Rock	.70
Grant	.69	Rusk	.68
Green	.70	St. Croix	.68
Green Lake	.70	Sauk	.69
Iowa	.69	Sawyer	.67
Iron	.66	Shawano	.69
Jackson	.69	Sheboygan	.70
Jefferson	.70	Taylor	.68
Juneau	.69	Trempealeau	.68
Kenosha	.72	Vernon	.69
Kewaunee	.69	Vilas	.67
La Crosse	.69	Walworth	.71

WISCONSIN—continued

County	Rate	County	Rate
Washburn	$0.67	Waushara	$0.69
Washington	.70	Winnebago	.70
Waukesha	.70	Wood	.69
Waupaca	.69		

WYOMING

	Rate
All counties	$0.65

(b) *Storage allowance.* There shall be no storage allowance on oats under the loan program.

A deduction of 7 cents per bushel shall be made from the applicable loan rate on oats being placed under loan in a warehouse, unless evidence is submitted with the warehouse receipt that all warehouse charges except receiving charges have been prepaid through April 30, 1949.

Approved: June 7, 1948.

[SEAL] ELMER F. KRUSE,
Manager,
Commodity Credit Corporation.

[F. R. Doc. 48-6191; Filed, July 12, 1948; 8:53 a. m.]

TITLE 10—ARMY

Chapter V—Military Reservations and National Cemeteries

PART 501—LIST OF EXECUTIVE ORDERS, PROCLAMATIONS AND PUBLIC LAND ORDERS AFFECTING MILITARY RESERVATIONS

ARIZONA

CROSS REFERENCE: For order withdrawing public lands in Arizona for use in the construction of the Alamo Dam and Reservoir on the Bill Williams River under the supervision of the Department of the Army, which order affects the tabulation contained in § 501.1, see Public Land Order 492 under Title 43, Chapter I, Appendix, *infra*.

TITLE 22—FOREIGN RELATIONS

Chapter III—Economic Cooperation Administration

[ECA Reg. 4]

PART 1114—GUARANTIES UNDER THE ECONOMIC COOPERATION ACT OF 1948

Preamble. In furtherance of the purposes of the Economic Cooperation Act of 1948, and in order to facilitate and maximize the use of private channels of trade; pursuant to authority contained in section 111 (a) and 111 (b) of such act, the following rules and regulations are prescribed as necessary and proper terms and conditions, consistent with the provisions of such act, for the making of guaranties of investments as provided for in section 111 of such act.

Sec.

1114.1 Information required in application for guaranties and place of filing.
1114.2 Fees for guaranties.
1114.3 Saving clause.

AUTHORITY: §§ 1114.1 to 1114.3, inclusive, issued under sec. 111, Pub. Law 472, 80th Cong.

§ 1114.1 *Information required in application for guaranties and place of*

filing. Applications for guaranties, pursuant to section 111 of the Economic Cooperation Act of 1948, will be made in writing to the Administrator for Economic Cooperation, Washington 25, D. C., containing the following information:

(a) Name and citizenship of applicant; if a corporation, partnership, or other association, the jurisdiction under the laws of which it was created and under which it exists, and evidence that it is substantially beneficially owned by citizens of the United States.

(b) Address of the applicant, and name, title, and address of person or persons authorized to represent the applicant.

(c) Name of participating country in which investment is proposed to be made, and either evidence of approval by that country of the investment as furthering the joint program for European recovery, or a statement of the channel through which negotiations are being or will be conducted for the purpose of obtaining such approval.

(d) Total amount in United States dollars of the guaranty for which application is made.

(e) Description of the proposed investment; where development projects are involved, the description should include engineering and economic surveys, and pro forma balance sheets and income statements.

(f) Statement as to how the projected investment may be expected to affect the foreign exchange position of the participating country, or countries, concerned.

(g) If any part of the investment is to be in a form other than cash, the basis of the evaluation in dollars of the facilities or services proposed as the subject of the investment.

(h) A description of the facilities in which the applicant proposes to invest, proposed location, projected method of operation, and total amount of proposed investment in the project, both in United States dollars and foreign currencies.

(i) Estimated time required in placing in operation the project for which the investment is to be made.

(j) The facts with respect to any other proposed participants, financially or otherwise, in the project.

(k) Information with respect to the market for the products or services resulting from the project (this to include the domestic market in the participating country, the market in the United States, and the general world export market) and pertinent information with respect to the economic soundness of the project.

(l) Brief statement of history and experience of the investor, commercial, bank, and trade references, and comparative balance sheets and profit and loss statements for the past three years, together with a statement as to the availability of funds for the proposed investment, and the source thereof.

(m) A description of all existing investments of the applicant in the country in which the investment covered by the present application is contemplated.

(n) Such further information as the Administrator may require with respect to any application to assist him in the exercise of the authority vested in him by the act.

§ 1114.2 *Fees for guaranties.* The recipient of a guaranty shall pay to the Administrator or his duly appointed representative, annually in advance, a fee of 1 per cent per annum of the face amount of such guaranty, unless unusual circumstances are found by the Administrator to exist with respect to any guaranteed investment, rendering it desirable, in furtherance of the purposes of the act, to charge a smaller fee.

§ 1114.3 *Saving clause.* The Administrator may waive, withdraw, or amend at any time or from time to time any or all of the provisions of the regulations in this part.

PAUL G. HOFFMAN,
Administrator for Economic Cooperation.

[F. R. Doc. 48-6272; Filed, July 12, 1948; 9:10 a. m.]

TITLE 24—HOUSING CREDIT

Chapter I—Home Loan Bank Board

[No. 896]

PART 2—ORGANIZATION OF THE BANKS

ELECTION OF DIRECTORS OF FEDERAL HOME LOAN BANKS

JULY 7, 1948.

Resolved that paragraph (a) of § 2.4 of the rules and regulations for the Federal Home Loan Bank System (24 CFR 2.4 (a)) is hereby amended, effective July 26, 1948 to read as follows:

§ 2.4 *Directors*—(a) *Appointment and election.* Four directors of each bank will be appointed by the Home Loan Bank Board (hereinafter referred to as the "Board") and eight directors of each bank will be elected in accordance with the following provisions:

(1) As provided in section 7 of the act, eight of the twelve directors of each bank shall be elected by the members thereof, provided such members hold at least $1,000,000 of the capital stock of the bank at the time nominations are required. Members shall be deemed to hold $1,000,000 of the capital stock of a bank when they have subscribed to a total of $1,000,000 par value of such stock, made the statutory payments thereon, such subscriptions have been accepted and the subscribers have been notified.

(2) Two of such directors shall be known as Class A directors, two as Class B and two as Class C, and shall hold office for terms of two years. Each of these directors shall be a citizen of the United States, a bona fide resident of the district in which the Bank is located; shall be an officer or directors of a member of the Bank in the group electing him and shall be deemed to be from the State in which such member is located.

(3) Two of the eight directors to be elected shall be elected by the member-ship-at-large without regard to classes; shall be known as directors-at-large; and shall hold office for terms of two years. Each of these directors shall be a citizen of the United States and a bona fide resident of the bank district. Each of these directors who is an officer or director of a member of the bank shall be deemed to be from the State in which such member is located. Each of these directors who is not an officer or director of a member of the bank, shall be deemed to be from the State in which he has established a bona fide residence.

(4) The election of directors shall be held annually and shall be conducted by mail under the supervision of the Board. No nominations shall be accepted from members which were admitted to membership within the ten days prior to the date nomination certificates are to be forwarded to members as set forth herein and no votes for the election of candidates shall be accepted from members which were admitted to membership within the ten days prior to the date election ballots are to be forwarded to members as set forth herein.

(5) The Board will adjust the lines of class demarcation of members every four years or more often if it deems such action desirable. Before August 1 of each year, the Board will divide the member institutions into groups A, B, and C on the basis of the size of the members as determined, as of the May 31 immediately preceding said August 1, from the aggregate unpaid principal of each member's home mortgage loans appearing on the most recent annual report of the member in the possession of its bank or on the most recent financial statement of a member in the possession of its bank in the event such bank holds no annual report of such member. The Board will then notify each member not later than August 1 of each year of its right to nominate and of its classification and will furnish each member with a list of the members in its class and a list of those holding directorships at that time in the bank of which it is a member, containing the name of each director, the date of expiration of the term of each director, the name and address of the member institution of which each class director is an officer or director, the city and State of which each director-at-large is a resident, the name and address of the institution with which each director-at-large is affiliated and his title, or, if not affiliated with an institution, his present or former occupation and indicating each class directorship and each directorship-at-large. At the same time each member will be furnished with the necessary nominating certificates and will be notified of each directorship to be filled from the membership-at-large and of each directorship to be filled in its class. Each bank will be furnished with copies of all such information and certificates forwarded to its members.

(6) Upon receipt of the nominating certificates each member, by resolution of its governing body, may nominate, or authorize one of its directors and one of its officers to nominate, a suitably quali-

fied person for each directorship to be filled in its class and each directorship to be filled from the membership-at-large. The certificates shall then be duly executed and mailed to the Secretary to the Board, so as to be delivered to his office in Washington, D. C., not later than August 31.

(7) A letter will be forwarded to each nominee under registered mail so as to reach his address, as shown by the Board's records, before September 9, informing him of his nomination; *Provided, however,* No such letter shall be forwarded to any nominee holding a class directorship or a directorship-at-large whose term does not expire until after the close of the calendar year during which the election is being held or to any nominee holding a public interest directorship, unless the Secretary to the Board has received from him before September 1 notice of his intention to be a candidate for a class directorship or directorship-at-large. With such letter each such nominee will be forwarded a list of nominees and the directorship or directorships for which each was nominated, and a questionnaire which will contain, among other things, a request for a brief biography and questions to ascertain whether the nominee is eligible for the directorship for which he has been nominated and whether he is willing to serve if elected. Such questionnaire must be completely filled in and mailed so as to be delivered to the office of the Secretary to the Board not later than September 15 in order for the nominee to have his name placed on an election ballot.

In the event any person is nominated for two directorships, he will be so informed by the Board in the letter referred to in the immediately preceding paragraph hereof and given an opportunity to state which of said directorships he prefers; or in the event any person is nominated for more than two directorships, he will be so informed by the Board by said letter and given the opportunity to express his order of preference for the directorships for which he has been nominated. In each such case the nominee will be informed by said letter that it is necessary that the Board receive from him, not later than September 15, an expression of preference in order to have his name placed on an election ballot. In each such case where the Board has received from a nominee an expression of preference within the time referred to and the other information as required herein, the Board will, in acordance with the preference expressed, designate the directorship for which the nominee shall be a candidate; however, if it appears to the Board that such action would impair, or result in such nominee having no chance of being elected on account of, the representation per State as set forth in subparagraph (9) of this paragraph the Board will designate such person as a candidate only for the directorship which appears to the Board to be the most suitable, if it also appears to the Board such person has a chance of being elected to such directorship. If it appears to the Board that a candidate has no chance of being elected to a directorship or to any of the directorships for which he has been nominated, on account of the representation per State as set forth in subparagraph (9) of this paragraph the name of such candidate will not be placed on an election ballot if he has made a request that his name not be so placed in such event.

On or before October 1, the Board will mail to each member the first election ballots which will contain in alphabetical order the name of each nominee for each directorship to be filled in its class and from the membership-at-large who has complied with the provisions of this section. Each ballot for a class directorship will also contain opposite the name of each nominee the name and address of the member institution of which he is an officer or director, and his title, and each ballot for a directorship-at-large will also contain opposite the name of each nominee the city and State of which he is a resident and the name and address of the institution with which he is affiliated and his title or, if not affiliated with an institution, his present or former occupation. In the event a candidate for a directorship-at-large is affiliated with an institution which is not a member of the Bank such fact will be recorded on the ballot. The election ballots forwarded to each member shall be accompanied by a brief biography of each candidate listed on said ballots.

(8) Each member, by resolution of its governing body, may cast its vote or authorize one of its directors and one of its officers to cast its vote for each directorship to be filled in its class and for each directorship-at-large to be filled by votes from the membership-at-large. The ballots shall be properly marked and the envelope of certification properly executed, and both mailed to the Secretary to the Board so as to be delivered at his office in Washington, D. C., not later than October 31.

(9) In determining the results of balloting by the members, the Board will see that each State is represented on the new board of directors by at least the number of elective directors set forth below, provided there has been an eligible candidate from such State who has been voted for:

Bank districts:	*Minimum number of directors per State*
1	1
2	3
3	1
4	1
5	2
6	3
7	3
8	1
9	1
10	1
11	1

Within a period of two years after the expiration of the term of a directorship held by an officer or director of a member institution or by any other individual, through the application of the rule as to the minimum number of directors per State, no officer or director of such institution or such other individual may hold a directorship in a bank unless the votes he receives are sufficient to elect him without applying the rule as to representation per State.

(10) Before November 15 the Board will determine the results of the first election ballots. In case of each directorship subject to the election, any candidate having a majority of all votes cast for a directorship will be declared elected, provided the required minimum representation per State will not be impaired thereby. If the required minimum representation per State will not be maintained on the new board of directors, the Board will designate each State which apparently would otherwise be inadequately represented the directorship or directorships to be filled only by a candidate from such State, provided there has been a properly qualified candidate from each of such States who has been voted for for the directorship so designated.

In making each such designation the Board will first ascertain the directorships for which a candidate from the State which apparently would otherwise be inadequately represented has been voted for and which can be reserved for such State without impairing the necessary representation of any other State more entitled to representation. From the directorships thus ascertained to be available for designation, the Board will designate for each State which apparently would otherwise be inadequately represented the directorship for which a candidate from such State has received more votes than any other candidate for such directorship. If no candidate from such State has received such a plurality and the leading candidates for all of the available directorships are, therefore, from other States, the Board will, from the available directorships, designate the directorship for which the leading candidate has a lesser percentage of votes than any of the leading candidates for other available directorships. This procedure will eliminate from further consideration all candidates from other States for such directorship reserving it for candidates from the State which apparently would otherwise be inadequately represented.

If after designating a directorship to be filled from a State which apparently would otherwise be inadequately represented, the Board finds that only one candidate from such State has received a vote or votes for such directorship, such candidate will be declared elected. Otherwise, a final election ballot will be required involving only candidates from such State for such directorship, who are to be selected in accordance with subparagraph (11) of this paragraph.

Upon determining the results of the first election ballots, the Board will declare elected the candidates who should be declared elected in accordance with the provisions of these rules and regulations. The Board will thereupon spread said results upon its minutes and notify the directors elected of their elec-

tion. The Board will also furnish each bank and each member thereof the results of the first election ballots and advice as to any directorship or directorships which are to be subject to a final action. The results of the first election ballots shall reflect the name of each candidate, the name and address of the institution with which he is affiliated, the number of votes he received and the candidate declared elected. Upon the request of a candidate the Board will furnish him with the number of votes each candidate received for the directorship for which he was a candidate.

(11) On or before November 15, the names of the two highest candidates for each directorship not filled will be placed on final election ballots and such ballots forwarded to the members entitled to vote for such directorships: *Provided, however,* That in the event more than two candidates receive the same number of votes for a directorship and such number is greater than the votes of any of the other candidates for such directorship, the names of all said candidates receiving an equal number of votes shall be placed on the final election ballot; *Provided further,* That in the event one candidate receives more votes than any other candidate for the directorship and the next highest number of votes for the directorship is held by two or more candidates, the names of all said candidates receiving the two highest number of votes for the directorship shall be placed on the final election ballot. There will be shown opposite the name of each candidate on each final election ballot the same information which will be shown on each first election ballot opposite the name of each candidate, as set forth in subparagraph (7) of this paragraph. Each bank will be furnished with a copy of any final election ballots forwarded to its members.

(12) Each member, by resolution of its governing body, may cast its vote or authorize one of its directors and one of its officers to cast its vote for each directorship to be filled as the result of the final election ballots. The ballots shall be properly marked and the envelope of certification properly executed, and both mailed to the Secretary to the Board so as to be delivered at his office in Washington, D. C., not later than December 15.

(13) Upon determining the results of the final election ballots, the Board will declare elected the candidates receiving the highest number of votes. The Board will thereupon spread said results upon its minutes and notify the directors elected of their election. The Board will furnish each Bank and its members with the results of the election of directors for that Bank. The results of the final election ballots shall reflect the name of each candidate, the name and address of the institution with which he is affiliated, the number of votes he received and the candidate declared elected. Upon the request of a candidate the Board will furnish him with the number of votes each candidate received for the directorship for which he was a candidate.

(14) In the event the voting for those whose names appear on a final election ballot results in a tie, the Board will determine which of the leading candidates shall be declared elected. The Board will also determine any other matters concerning elections which are not provided for in these rules and regulations.

(15) All nominating certificates sent to members in the States shall be forwarded by regular mail, and all balloting material sent to such members shall be forwarded by registered mail and a return receipt requested. All nominating certificates and balloting material sent to members in Puerto Rico, the Virgin Islands, Alaska and Hawaii shall be forwarded by airmail.

(16) No election ballots will be opened until after the close of the polls. No ballots will be considered except ballots executed on forms supplied by the Board. All ballots and envelopes of certification shall be preserved by the Secretary to the Board until the end of the ensuing calendar year and shall be subjected to inspection only by a member of the Board.

(17) To be eligible for election as a director of a Bank, a candidate may not hold an active political office for which he receives compensation.

(18) Neither an officer, attorney, employee or agent of the Board nor a Board of Directors, Executive Committee, officer, attorney, employee or agent of a Bank shall take any action which would tend to influence votes for any candidate for a directorship in a Bank. The Board, after hearing, may consider a violation of the provisions of this subparagraph as grounds for dismissal or may declare the directorship involved as vacant, or both.

(19) In the event any date specified herein falls on a Sunday or a holiday, the next business day shall be included in the time allowed. All polls shall be closed on the dates specified at 5:00 p. m., eastern standard time. No nominating certificate, questionnaire or ballot shall be considered unless delivered at the office of the Secretary to the Board, Washington, D. C., at or before the time specified. No change in any ballot will be permitted after it has been delivered to the Secretary to the Board.

(20) In the event of a vacancy in any directorship required to be filled by election, the Board will fill the vacancy by an appointment for a period to expire at the end of the calendar year containing the next election date, and at said next election a director shall be elected to hold office for the unexpired portion of the term.

(21) As used in the foregoing provisions of this section the term "State" means any one of the 48 states or the District of Columbia, except that the states of Nevada and Arizona shall be deemed to constitute one "State" and that the right of minimum representation under this section shall be alternated between the states of Nevada and Arizona within the limitations of these rules and regulations and all pertinent resolutions and orders of the Federal Home Loan Bank Board, the Federal Home Loan Bank Administration and the Home Loan Bank Board.

Resolved further that, thirty days' notice of the proposal to make the foregoing amendments having elapsed without written data having been submitted thereon by interested persons, and as it is in the public interest to have the foregoing amendments effective to permit necessary preparations for the election of directors for the Federal Home Loan Banks to be held in August, 1948, and as certain of said amendments relieve restrictions, it is hereby determined that the effective date of the foregoing amendments shall not be deferred beyond the date heretofore stated.

(Secs. 7, 17, 47 Stat. 730, 736 as amended; 12 U. S. C. 1427, 1437; Reorg. Plan No. 3 of 1947, 12 F. R. 4981.)

By the Home Loan Bank Board.

[SEAL] J. FRANCIS MOORE,
Secretary.

[F. R. Doc. 48-6187; Filed, July 12, 1948; 8:51 a. m.]

Chapter V—Federal Housing Administration

PART 500—GENERAL

ORGANIZATION AND FUNCTIONS

Section 500.22 of Subpart C is amended effective July 1, 1948, by:

1. Deleting opposite "Arizona", "Tucson" [1] and in column headed "Address" the following: "68 East Congress Street" and substituting therefor the following: "116 West Washington Street".

2. Deleting opposite "District of Columbia" and in the column headed "Address" the following: "Walker Building" and substituting therefor the following: "1015 Fourteenth Street NW.".

3. Deleting opposite "Indiana" and in the column headed "Address" the following: "Guaranty Building" and substituting therefor the following: "Marott Building".

4. Deleting opposite "Texas", "San Antonio" and in the column headed "Address" the following: "Alamo National Bank Building" and substituting therefor the following: "San Antonio Arsenal, Building No. 3"

(Sec. 1, 48 Stat. 1246; 12 U. S. C. 1702; Reorg. Plan No. 3 of 1947, 12 F. R. 4981)

[SEAL] R. WINTON ELLIOTT,
Assistant Commissioner.

JULY 7, 1948.

[F. R. Doc. 48-6166; Filed, July 12, 1948; 8:46 a. m.]

Chapter VIII—Office of Housing Expediter

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

CONTROLLED HOUSING RENT REGULATION FOR NEW YORK CITY DEFENSE-RENTAL AREA,[1] INCLUDING AMENDMENTS 1–6

§ 825.2 *Controlled Housing Rent Regulation for New York City Defense-Rental Area.* The Controlled Housing Rent Regulation for New York City Defense-Rental Area, issued pursuant to the Housing and Rent Act of 1947, Public Law 129, 80th Congress, as amended, is as follows:

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- (a) Housing and defense-rental area to which this regulation applies.
- (b) Decontrolled and exempted housing to which this regulation does not apply:
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    - (iii) Accommodations subject to the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments.
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  - (2) Decontrolled housing to which this regulation does not apply:
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- (a) General prohibition.
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Section 12. Adoption of orders.

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SECTION 1

SECTION 1. *Definitions and scope of this regulation.* "Act" means the Housing and Rent Act of 1947, as amended.

"Expediter" means the Housing Expediter or the Rent Director or such other person or persons as the Expediter may appoint or designate to carry out any of the duties delegated to him by the act.

"Rent Director" means the person designated by the Expediter as director of the defense-rental area or such person or persons as may be designated to carry out any of the duties delegated to the Rent Director by the Expediter.

"Local Advisory Board" means a board created in a defense-rental area, or a part thereof, the members of which are appointed by the Housing Expediter upon recommendations made by the Governor or as otherwise required by section 204 (e) of the Housing and Rent Act of 1947, as amended.

[Above paragraph added by Amdt. 2, 12 F. R. 5696, effective 8–22–47; amended by Amdt. 5, 13 F. R. 1864, effective 4–1–48]

"Area rent office" means the office of the Rent Director in the defense-rental area.

"Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

"Housing accommodations" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes, together with all privileges, services, furnishings, furniture, equipment, facilities and improvements connected with the use of or occupany of such property.

"Controlled housing accommodations" means any housing accommodation in any defense-rental area which is not specifically exempted from control or decontrolled under this regulation.

"Services" includes repairs, decorating and maintenance, the furnishing of light, heat, hot and cold water, telephone, elevator service, window shades, and storage, kitchen, bath, and laundry facilities and privileges, maid service, linen service, janitor service, the removal of refuse and any other privilege or facility con-

[1] 12 F. R. 4295, 5422, 5455, 5698; 13 F. R. 231, 441, 1864.

nected with the use or occupancy of housing accommodations.

"Landlord" includes an owner, lessor, sublessor, assignee or other person receiving or entitled to receive rent for the use or occupancy of any housing accommodation, or an agent of any of the foregoing.

"Tenant" includes a subtenant, lessee, sublessee, or other person entitled to the possession or to the use or occupancy of any housing accommodations.

"Rent" means the consideration, including any bonus, benefit, or gratuity, demanded or received for or in connection with the use or occupancy of housing accommodations or the transfer of a lease of such accommodations.

"Hotel" means any establishment which is commonly known as a hotel in the community in which it is located and which provides customary hotel services.

[Above paragraph amended by Amdt. 1, 12 F. R. 5456, effective 8-8-47; and Amdt. 5, 13 F. R. 1864, effective 4-1-48]

"Motor court" means an establishment renting rooms, cottages or cabins; supplying parking or storage facilities for motor vehicles in connection with such renting and other services and facilities customarily supplied by such establishments; and commonly known as a motor, auto or tourist court in the community.

"Tourist home" means a rooming house which caters primarily to transient guests and is known as a tourist home in the community.

"Rooming house" means, in addition to its customary usage, a building or portion of a building other than a hotel or motor court in which a furnished room or rooms not constituting an apartment are rented on a short term basis of daily, weekly or monthly occupancy to more than two paying tenants, not members of the landlord's immediate family. The term includes boarding houses, dormitories, trailers not a part of a motor court, residence clubs and all other establishments of a similar nature, including tourist homes.

[Above paragraph corrected 12 F. R. 5422, effective 7-1-47]

"Maximum rent date" means March 1, 1943, the maximum rent date for the New York City Defense-Rental Area as established under the Emergency Price Control Act of 1942, as amended.

"Date determining maximum rent" means the date as of which a maximum rent was determined for any particular housing accommodation in accordance with the Emergency Price Control Act of 1942, as amended, and the regulations issued thereunder, or under section 4 (b), (c), or (e) of this regulation, whichever is applicable.

"Effective date of regulation" means November 1, 1943, the effective date of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, for the New York City Defense-Rental Area. The term "Rent Regulation for Housing," as hereinafter used, means the Rent Regulation for Housing for the New York City Defense-Rental Area.

(a) *Housing and defense-rental area to which this regulation applies.* This regulation applies to all housing accommodations in the New York City Defense-Rental Area, consisting of the City of New York (including the boroughs of Bronx, Brooklyn, Manhattan, Queens, and Richmond) and the counties of Nassau and Suffolk in the State of New York, except as provided in paragraph (b) of this section. The New York City Defense-Rental Area is referred to hereinafter in this regulation as the "defense-rental area."

(b) *Decontrolled and exempted housing to which this regulation does not apply*—(1) *Exempted housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Farming tenants.* Housing accommodations situated on a farm and occupied by a tenant who is engaged for a substantial portion of his time in farming operations thereon.

(ii) *Service employees.* Dwelling space occupied by domestic servants, caretakers, managers, or other employees to whom the space is provided as part or all of their compensation and who are employed for the purpose of rendering services in connection with the premises of which the dwelling space is a part.

(iii) *Accommodations subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments.* Rooms or other housing accommodations subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments for the New York City Defense-Rental Area.

(iv) *Structures subject to underlying leases.* (*a*) Entire structures or premises wherein more than 25 rooms are rented or offered for rent by any lessee, sublessee or other tenant of such entire structure or premises, except as provided in (*c*) below.

(*b*) Entire structures or premises where 25 or less rooms are rented or offered for rent by a lessee, sublessee, or other tenant of such entire structures or premises, provided that all of the housing accommodations in such structures or premises are exempt or decontrolled under the provisions of this section and are not subject to the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments for the New York City Defense-Rental Area.

(*c*) This regulation does apply to an underlying lease of any entire structure or premises which was entered into after the maximum rent date and prior to the effective date of the regulation while such lease remains in force with no power in the tenant to cancel or otherwise terminate the lease, unless all of the housing accommodations in such structure are exempt or decontrolled under the provisions of this section and are not subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments for the New York City Defense-Rental Area.

(v) *Rented to National Housing Agency.* Housing accommodations rented to the United States acting by the National Housing Agency: *Provided, however,* That this regulation does apply to a sublease or other subrenting of such accommodations or any part thereof.

(vi) *Resort housing; summer resort housing.* Housing accommodations located in a resort community and customarily rented or occupied on a seasonal basis prior to October 1, 1945, which were not rented during any portion of the period beginning on November 1, 1943, and ending on February 29, 1944.

This exemption shall be effective only from June 1 to September 30, inclusive.

(2) *Decontrolled housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Accommodations in hotels, motor courts, trailers and trailer spaces, and tourist homes.* (*a*) Housing accommodations in a hotel (see definition of hotel in Section 1) which on June 30, 1947, were occupied by persons to whom were provided customary hotel services such as maid service, furnishing and laundering of linen, telephone and secretarial or desk service, use and upkeep of furniture and fixtures, and bellboy services (not necessarily all the types of services named need be provided in all cases, as long as enough are provided to constitute customary hotel services usually supplied in establishments commonly known as hotels in the community where they are located); (*b*) housing accommodations in establishments which were motor courts on June 30, 1947; (*c*) housing accommodations located in trailers and ground space rented for trailers; and (*d*) housing accommodations in any tourist home serving transient guests exclusively on June 30, 1947.

Reporting requirements. Every landlord of housing accommodations referred to in paragraphs (*a*) and (*d*) above, who has not filed an application for decontrol prior to April 1, 1948, shall on or before June 1, 1948 file in the area rent office a report of decontrol of such accommodations on a form provided by the Expediter.

(ii) *Accommodations created by new construction or conversion.* (*a*) Housing accommodations the construction of which was completed on or after February 1, 1947, or which are additional housing accommodations created by conversion on or after February 1, 1947: *Provided, however,* That maximum rents established under the Veteran's Emergency Housing Act for priority constructed housing accommodations completed on or after February 1, 1947, shall continue in full force and effect if such accommodations are being rented to veterans of World War II or their immediate families who, on June 30, 1947, either (1) occupied such housing accommodations, or (2) had a right to occupy such housing accommodations at any time on or after July 1, 1947, under any agreement whether written or oral; (*b*) housing accommodations the construction of which was completed on or after February 1, 1945, and prior to February 1, 1947, and which between the date of completion and June 30, 1947, both dates inclusive, at no time were rented (other than to members of the immediate family of the landlord) as housing accommodations.

For the purposes of this paragraph (ii) the time at which construction of housing accommodations shall be deemed to be "completed" shall be the date on

which the dwelling is first suitable for occupancy and all utility and service connections have been made, except for the installation of such items and the completion of such decoration work as, in accordance with the custom of the community, are left for installation by, or to the choice of, the purchaser or the tenant; and the word "conversion" means (1) a change in a structure from a non-housing to a housing use or (2) a structural change in a residential unit or units involving substantial alterations or remodeling and resulting in the creation of additional housing accommodations.

(iii) *Accommodations not rented for two-year period.* Housing accommodations which for any successive 24-month period during the period February 1, 1945, to March 30, 1948, both dates inclusive, were not rented (other than to members of the immediate family of the landlord) as housing accommodations.

(iv) *Non-housekeeping furnished accommodations.* Non-housekeeping, furnished housing accommodations, located within a single dwelling unit not used as a rooming or boarding house, but only if no more than two paying tenants, not members of the landlord's immediate family live in such dwelling unit, and the remaining portion of such dwelling unit is occupied by the landlord or his immediate family. (See definition of rooming house in section 1.)

(v) *Leased accommodations.* (*a*) Except as hereinafter provided in this paragraph (v), housing accommodations concerning which a landlord and tenant on or before December 31, 1947, voluntarily entered into a valid written lease in good faith and such lease took effect on or after July 2, 1947, but before January 1, 1948, and such lease by its terms expires on or after December 31, 1948, and provided for a rent not in excess of 15 percent above the maximum rent in effect prior to the effective date of such lease and a true and duly executed copy of such lease was filed with the Housing Expediter within 15 days after the date of execution thereof.

(*b*) Except as hereinafter provided in this paragraph (v), housing accommodations concerning which a landlord and tenant (including landlords and tenants who have executed leases in accordance with paragraph (*a*) above and including any new tenant) on or before December 31, 1948, voluntarily enter into a valid written lease in good faith for a rent not in excess of 15 percent over the maximum rent which in the absence of a lease would be in effect with respect thereto on March 30, 1948, plus or minus the amount of any adjustment under section 5 of this regulation, and such lease takes effect on or after April 1, 1948, and expires on or after December 31, 1949, and a true and duly executed copy of such lease is filed with the Expediter within 15 days after the date of execution of such lease.

Exceptions to (a) and (b) above. All housing accommodations referred to in paragraph (*a*) shall be subject to this regulation unless the lease provided for the same living space, services, furniture, furnishings and equipment with the housing accommodations as were required to be provided by this regulation prior to the effective date of the lease.

All housing accommodations referred to in paragraph (*b*) shall be subject to this regulation unless the lease provides for the same living space, services, furniture, furnishings, and equipment with the housing accommodations which in the absence of a lease would be required to be provided by this regulation on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

All housing accommodations referred to in paragraphs (*a*) and (*b*) shall be subject to this regulation if the lease is terminated or expires on or after April 1, 1948 and before March 31, 1949, unless a subsequent lease entered into under the provisions of paragraph (*b*) above is in force.

Reporting requirements. A landlord shall file form D–92–Registration of Lease—in triplicate with the true and duly executed copy of the lease required to be filed in paragraph (*b*) above.

A landlord shall file a report in the Area Rent Office on a form provided by the Expediter of any termination of a lease referred to in paragraph (*a*) or (*b*) above prior to the expiration date of the lease. Such report shall be filed within fifteen days after such termination or fifteen days after April 1, 1948, whichever is later.

[Section 1 (b) amended by Amdt. 5, 13 F. R. 1864; effective 4–1–48]

(c) *Effect of this regulation on leases and other rental agreements.* The provisions of any lease or other rental agreement shall remain in force pursuant to the terms thereof, except insofar as those provisions are inconsistent with this regulation.

(d) *Waiver of benefit void.* An agreement by the tenant to waive the benefit of any provision of this regulation is void. A tenant shall not be entitled by reason of this regulation to refuse to pay or to recover any portion of any rents due or paid for use or occupancy prior to the effective date of this regulation.

SECTION 2

SEC. 2. *Prohibition against higher than maximum rents*—(a) *General prohibition.* Regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, no person shall offer, demand or receive any rent for or in connection with the use or occupancy on and after the effective date of this regulation of any housing accommodations within the defense-rental area higher than the maximum rents provided by this regulation; and no person shall offer, solicit, attempt, or agree to do any of the foregoing. A reduction in the services, furniture, furnishings or equipment required under section 3 of this regulation shall constitute an acceptance of rent higher than the maximum rent. Lower rents than those provided by this regulation may be demanded or received.

(b) *Lease with option to buy.* Where a lease of housing accommodations was entered into prior to November 1, 1943, and the tenant as a part of such lease or in connection therewith was granted an option to buy the housing accommodations which were the subject of the lease, with the further provision that some or all of the payments made under the lease should be credited toward the purchase price in the event such option is exercised, the landlord, notwithstanding any other provision of this regulation may be authorized to receive payment made by the tenant in accordance with the provisions of such lease and in excess of the maximum rent for such housing accommodations. Such authority may be secured only by a written request of the tenant to the area rent office and shall be granted by order of the Expediter if he finds that such payments in excess of the maximum rent will not be inconsistent with the purposes of the act or this regulation and would not be likely to result in the circumvention or evasion thereof. After entry of such order the landlord shall be authorized to demand, receive and retain, and the tenant shall be authorized to offer, payments provided by the lease in excess of the maximum rent for periods commencing on or after November 1, 1943. After entry of such order, the provisions of the lease may be enforced in accordance with law, notwithstanding any other provision of this regulation. Nothing in this paragraph shall be construed to authorize the landlord to demand or receive, or the tenant to offer, payments in excess of the maximum rent in the absence of an order of the Expediter as herein provided. Where a lease of housing accommodations has been entered into on or after November 1, 1943, and the tenant as a part of such lease or in connection therewith has been granted an option to buy the housing accommodations which are the subject of the lease, the landlord, prior to the exercise by the tenant of the option to buy, shall not demand or receive, nor shall the tenant offer, payments in excess of the maximum rent, whether or not such lease allocates some portion or portions of the periodic payments therein provided as payments on or for the option to buy.

(c) *Security deposits*—(1) *General prohibition.* Regardless of any contract, agreement, lease or other obligation heretofore or hereafter entered into, no person shall demand, receive or retain a security deposit for or in connection with the use or occupancy of housing accommodations within the defense-rental area except as provided in this paragraph (c). The term "security deposit," in addition to its customary meaning, includes any prepayment of rent except payment in advance of the next periodic installment of rent for a period no longer than one month but shall not include rent voluntarily prepaid subsequent to possession by a tenant under a written lease for his own convenience.

(2) *Maximum rent established under section 4 (a) or (b) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of

the housing accommodations is or initially was established under said section 4 (a) or (b), no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on the date determining the maximum rent established under said section 4 (a) or (b).

(3) *Maximum rent established under section 4 (c) or (d) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (c) or (d), no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement under which the accommodations were first rented or in any order heretofore or hereafter entered. Where such lease or other rental agreement provided for a security deposit, the Expediter at any time, on his own initiative or on application of the tenant, may order a decrease in the amount of such deposit or may order its elimination.

(4) *Maximum rent established under section 4 (e) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (e), no security deposit shall be demanded or received.

(5) *Maximum rent established under section 4 (f) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (f), no security deposit shall be demanded, received, or retained.

(6) *Maximum rent established under section 4 (g) or (h) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (g) or (h), no security deposit shall be demanded or received, except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on September 1, 1944. Where such accommodations were or are first rented after September 1, 1944, no security deposit shall be demanded, received, or retained.

(7) *Deposits to secure the return of certain movable articles.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may petition for an order authorizing the demand and receipt of a deposit to secure the return of movable articles. If the landlord shows that he has a special need therefor, the Expediter may enter an order authorizing a security deposit, not in excess of ten dollars, to secure the return of the movable articles specified in the order.

(8) *Deposits on certain leased furnished accommodations.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may demand, receive, and retain as a security deposit the rent for the last rental period of the term, not exceeding one month, where a newly constructed housing accommodation is, or was, rented and occupied for the first time after March 25, 1947, fully furnished, under a written lease, or where such newly constructed housing accommodation was rented and occupied for the first time on or prior to March 25, 1947, fully furnished, under a written lease, and was constructed with a priority rating or under specific authorization by the United States or any agency thereof for which the rent was approved by the United States or any agency thereof and the entire project covered by the single priority application of which the housing accommodation was a part was not completed until after March 25, 1947.

[Subparagraph (8) amended by Am. 1, 12 F. R. 5455, effective 8-8-47]

(9) *Deposits based on prior rental practices.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may demand, receive, and retain, in the case of any rental agreement entered into on or after April 1, 1948, a security deposit, if said deposit does not exceed the rent for one month in addition to the otherwise authorized collection of rent in advance, if the demand, collection or retention of such a security deposit was an accepted rental practice, prior to January 30, 1942, in the area in which the premises are located, or was customarily required before that date by the same landlord in the renting of the particular housing accommodations involved, and if the tenant is allowed, under the terms of the rental agreement, to occupy the premises for the period covered by the security deposit without further payment of rent. Each area rent director shall determine the rental practice or practices, prior to January 30, 1942, with reference to such security deposits in the particular area or any portion thereof.

[Subparagraph (9) added by Amdt. 5, 13 F. R. 1864, effective 4-1-48]

SECTION 3

SEC. 3. *Minimum space, services, furniture, furnishings, and equipment.* Except as set forth in section 4 (e) or 5 (b) or as otherwise provided in this section, every landlord shall, as a minimum, provide with housing accommodations the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation on March 31, 1948.

Where the maximum rent is determined under section 4 (b) (1) of this regulation, the landlord shall, as a minimum, provide with the housing accommodations the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation prior to the effective date of the lease.

Where the maximum rent is determined under section 4 (b) (2) of this regulation, the landlord shall, as a minimum, provide with the housing accommodations the same living space, services, furniture, furnishings, and equipment as he would be required to provide by this regulation in the absence of a lease on March 30, 1948, plus or minus such living space, services, furniture, furnishings, and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

[Section 3 amended by Amdt. 5, 13 F. R. 1864, effective 4-1-48]

SECTION 4

SEC. 4. *Maximum rents*—(a) *Maximum rents in effect on June 30, 1947.* The maximum rent for any housing accommodation under this regulation (unless and until changed by the Expediter as provided in section 5), shall be the maximum rent which was in effect on June 30, 1947, as established under the Emergency Price Control Act of 1942, as amended, and the applicable rent regulation issued thereunder, except as otherwise provided in this section.

(b) *Maximum rent on termination of lease.* (1) For housing accommodations concerning which a lease as described in section 1 (b) (2) (v) (*a*) was in effect, but is terminated on or after April 1, 1948, but before March 31, 1949, the maximum rent shall be the rent provided by the lease or the maximum rent which would have been in effect for said accommodations on March 30, 1948, in the absence of such lease, whichever is higher.

(2) For housing accommodations concerning which a lease as described in section 1 (b) (2) (v) (*b*) was in effect and is terminated before March 31, 1949, the maximum rent shall be the rent provided by the lease.

[Section 4 (b) amended by Amdt. 5, 13 F. R. 1864, effective 4-1-48]

(c) *First rent after June 30, 1947 (see also section 4 (e)).* For controlled housing accommodations first rented on or after July 1, 1947, the maximum rent shall be the first rent for such accommodations. Within 30 days after so renting, the landlord shall register the accommodations as provided in section 7. The Expediter may order a decrease in the maximum rent as provided in sections 5 (c) (1) and 5 (c) (6).

[Above paragraph amended by Amdt. 5, 13 F. R. 1864, effective 4-1-48]

If the landlord fails to file a proper registration statement within the time specified, the rent received for any rental period commencing on or after the date of the first renting shall be received, subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under section 5 (c) (1) or 5 (c) (6). Such amount shall be refunded to the tenant within 30 days after the date of the issuance of the order unless the re-

fund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to file a proper registration statement within the time specified, the order under section 5 (c) may relieve the landlord of the duty to refund. The landlord shall have the duty to refund only if the order under section 5 (c) is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

(d) *Housing subject to rent schedule of War or Navy Department.* Where housing accommodations on June 30, 1947, are rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments for which the rent is fixed by the national rent schedule of the War and Navy Departments, and on or after July 1, 1947, the rents on such housing accommodations cease to be governed by the national rent schedule of the War or Navy Departments, the maximum rents shall be those which would have been applicable under the appropriate subsection of section 4 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, or shall be established under section 4 (c) of this regulation.

(e) *Increase or decrease in space on or after April 1, 1948.* Where housing accommodations are changed on or after April 1, 1948, by a substantial increase or decrease in dwelling space, the maximum rent for the housing accommodations resulting from such change shall be the first rent charged after such change: *Provided, however,* That the Expediter at any time may order a decrease in the maximum rent as provided in sections 5 (c) (1) and 5 (c) (6): *And provided further,* That the rent received for any rental period commencing on or after the date of the first renting shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under sections 5 (c) (1) or 5 (c) (6). Such amount shall be refunded within 30 days after the date of the issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. The order entered by the Expediter shall fix the maximum rent retroactively to the date of first renting after such change. The landlord shall, within 30 days after renting said accommodations, file a proper registration statement in the area office in accordance with the provisions of section 7 herein. The landlord shall have the duty to refund only if the order under this section is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

[Paragraph (e) added by Amdt. 5, 13 F. R. 1864, effective 4-1-48]

SECTION 5

SEC. 5. *Adjustments and other determinations.* This section sets forth specific standards for the adjustment of maximum rents. In applying these standards and entering orders increasing or decreasing maximum rents, the Expediter shall give full consideration to the correction of inequities in maximum rents and the purposes and provisions of the Housing and Rent Act of 1947, as amended.

In the circumstances enumerated in this section, the Expediter may issue an order changing the maximum rents otherwise allowable or the minimum space, services, furniture, furnishings or equipment required, except in cases where an order increasing or decreasing the maximum rent on the same facts and grounds was entered under the rent regulations issued pursuant to the Emergency Price Control Act of 1942, as amended.

In making adjustments under this section, recommendations of local advisory boards shall be approved within 30 days if appropriately substantiated and in accordance with applicable law and regulations. If any recommendation cannot be acted upon within 30 days the board shall be notified in writing of the reasons therefor.

In those cases involving a major capital improvement, an increase or decrease in the furniture, furnishings or equipment, an increase or decrease of services, an increase or decrease in the number of subtenants or other occupants, or a deterioration, the adjustment in the maximum rent shall be the amount the Expediter finds would have been on the maximum rent date, the difference in the rental value of the housing accommodations by reason of such change: *Provided, however,* That no adjustment shall be ordered where it appears that the rent on the date determining the maximum rent was fixed in contemplation of and so as to reflect such change.

In all other cases except those under paragraphs (a) (7), (a) (12), (a) (13), (a) (14), (a) (15), (c) (6), (c) (8) and (c) (9) of this section, the adjustment shall be on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date: *Provided,* That in cases under paragraphs (a) (6) and (c) (5) of this section, the adjustment may be on the basis of the rental agreement in force on the date determining the maximum rent: *Provided, further,* That in cases under sections 5 (a) (3), 5 (c) (1), and 5 (c) (3) involving an increase or decrease in living space, the adjustment shall be either the amount the Expediter finds would have been on the maximum rent date the difference in the rental value of the housing accommodations by reason of such change or on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date, whichever is higher: *And provided further,* That in cases under section 5 (i) the adjustment shall be in the amount necessary to correct the error.

In cases involving construction, appropriate allowance shall be made for general increases in costs of construction in the defense-rental area since 1939.

In cases under paragraphs (a) (7), (a) (14), and (c) (6) of this section, the adjustment shall be on the basis of the rents which the Expediter finds were generally prevailing in the defense-rental area for comparable housing accommodations during the year ending on September 30, 1943.

In cases under section 5 (a) (3) appropriate allowance shall be made for general increases in costs of services, furniture, furnishings or equipment in the defense-rental area since the maximum rent date.

In cases under paragraph (c) (8) of this section the adjustment shall be on the basis of the average rent during the period of occupancy of the lease or other rental agreement in effect on the date determining the maximum rent.

In cases under paragraph (a) (12) of this section, the adjustment in the maximum rent shall be in the amount necessary to relieve the substantial hardship.

In cases under paragraph (c) (9) of this section, the adjustment in the maximum rent shall be in the amount the Expediter finds warranted by the modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (12) of this section: *Provided,* That no decrease shall be ordered in an amount greater than the adjustment ordered under paragraph (a) (12) of this section.

In cases under paragraph (a) (13) of this section the adjustment shall be in the amount of the difference between the rent on the date determining the maximum rent and the rent agreed upon by the landlord and tenant as a result of a continuous process of bargaining on interrelated matters.

In cases under paragraph (a) (15) of this section the adjustment shall be the amount of the rent increase granted by the appropriate agency of the United States.

In cases under paragraph (a) (16) of this section, the adjustment shall be in the amount necessary to relieve the controlled rental units of their share of the operating loss.

In all cases under paragraph (a) of this section the adjustment in the maximum rent shall be effective as of the date of the filing of the landlord's petition.

[Unnumbered paragraphs of Section 5 amended by Amdt. 5, 13 F. R. 1864 effective 4-1-48]

(a) *Grounds for increase of maximum rent.* Any landlord may file a petition for adjustment to increase the maximum rent otherwise allowable only on the grounds that:

(1) *Major capital improvement after effective date.* There has been on or after the effective date of the rent regulation for housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, a substantial change in the housing accommodations by a major capital improvement as distinguished from ordinary repair, replacement and maintenance.

[Subparagraph (1) corrected, 12 F. R. 5422, effective 7-1-47]

(2) *Change prior to maximum rent date.* There was, on or prior to the maximum rent date, a substantial change

in the housing accommodations by a major capital improvement, as distinguished from ordinary repair, replacement, and maintenance or a substantial increase in the services, furniture, furnishings, or equipment, and the rent on the maximum rent date was fixed by a lease or other rental agreement which was in force at the time of such change or increase.

(3) *Substantial increase in space, services, furniture, furnishings or equipment.* There has been a substantial increase in the services, furniture, furnishings or equipment provided with the housing accommodations since the date or order determining its maximum rent or a substantial increase in the living space since June 30, 1947. No increase in the maximum rent shall be ordered on the ground set forth in this paragraph (a) (3) unless the increase in living space, services, furniture, furnishings or equipment occurred with the consent of the tenant or while the accommodations were vacant: *Provided,* That an adjustment may be ordered, although the tenant refuses to consent to the increase in living space, services, furniture, furnishings or equipment, if the Expediter finds that such increase (i) is reasonably required for the operation of a multiple dwelling structure or other structure of which the accommodations are a part or (ii) is necessary for the preservation or maintenance of the accommodations.

[Subparagraph (3) corrected, 12 F. R. 5422, effective 7–1–47]

(4) [Revoked.]

(5) [Revoked.]

(6) *Varying rents.* The rent on the date determining the maximum rent was established by a lease or other rental agreement which provided for a higher rent at other periods during the term of such lease or agreement.

(7) *Seasonal rents.* The rent on the date determining the maximum rent was substantially lower than at other time of year by reason of seasonal demand, or seasonal variations in the rent, for such housing accommodations. In such cases the Expediter's order may if he deems it advisable provide for different maximum rents for different periods of the calendar year.

(8) *Substantial increase in occupancy.* (i) There has been, since the date determining the maximum rent a substantial increase in the number of subtenants or other persons occupying the accommodations or a part thereof under a rental agreement with the tenant.

(ii) There has been, since the date determining the maximum rent a substantial increase in the number of occupants, in excess of normal occupancy for that class of accommodations on the maximum rent date.

(iii) There has been, since the date determining the maximum rent an increase in the number of occupants over the number contemplated by the rental agreement on the date determining the maximum rent, where the landlord on that date had a regular and definite practice of fixing different rents for the accommodations for different numbers of occupants.

(9) [Revoked.]

(10) *Priority rating granted on September 1941 application form of Office of Production Management.* The maximum rent for the housing accommodations was originally established under section 4 (f) of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, the application for priority rating for the construction of the housing accommodations was filed on the September 1941 form in use by the Office of Production Management prior to the revision of this form on December 15, 1941, the landlord did not make, prior to the maximum rent date, or, if the accommodations were not rented on that date, prior to the first renting of the accommodations after that date, a written request to the appropriate agency of the United States to approve a higher rent than the rent initially approved because of increased costs of construction, and the maximum rent for the accommodations is substantially lower than the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, giving due consideration to general increases in costs of construction, if any, in the defense-rental area since the maximum rent date.

This paragraph (a) (10) shall apply only to housing accommodations which were first rented prior to March 29, 1944.

(11) *Inequitable rents.* The rent on the date determining the maximum rent was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

[Subparagraph 11 amended by Amdt. 5, 13 F. R. 1864, effective 4–1–48]

(12) *Substantial hardship from increase in operating expenses.* The landlord is suffering a substantial hardship because his present net income for the property is less than his average annual net income for a prior base period due to an unavoidable increase in operating expenses. A petition for adjustment under this section must be filed on Form D–58 or D–58A, whichever is appropriate, provided by the Expediter, in accordance with instructions contained therein.

In proper cases increase in payroll and property taxes in effect on the date of the filing of the petition may be considered by the Expediter in determining whether substantial hardship exists.

For the purposes of this paragraph (a) (12), the terms:

(i) "Property" includes one or more structures operated as a single unit or enterprise.

(ii) "Present net income" means the amount determined by subtracting the operating expenses for the current year from the present annual income.

(iii) "Operating expenses" means all property taxes and other operating costs, including depreciation, but excluding interest, necessary to the operation and maintenance of the property properly chargeable and allocated to the current year, or base period, as the case may be.

(iv) "Current year" means: (a) the most recent calendar or fiscal year used by the landlord; or (b) any 12 consecutive months ending not more than 90 days prior to the date of the filing of the petition; *Provided, however,* That if an allowance is requested for increase in payroll or property taxes not fully reflected in the "current year" as defined above, at least one calendar month must have passed between the end of the current year and the beginning of the month in which the petition is filed.

(v) "Present annual income" means the legal monthly rent for all units in the premises, both residential and commercial, on the date the petition is filed, multiplied by 12, together with any other income earned from the operation of the property during the current year. In any case where an uncontrolled rental unit is vacant, or is occupied in whole or in part rent free on such date, the full rental value shall be considered the legal rent. In any case where a unit was rented on a seasonal or varying rental basis during the year ending on the date the petition was filed, the average monthly rental during such year shall be considered the legal rent.

(vi) "Net income for the base period" means the amount determined by subtracting operating expenses for the base period from total income for the base period.

(vii) "Base period" means any period of two consecutive years prior to the current year but not beginning before January 1, 1939, which the Expediter finds to be representative of the property's normal operations: *Provided, however,* That where a representative period of two consecutive years is not available, the Expediter in his discretion may, for the purpose of this section, accept a representative period of not less than one year: *And provided further,* That where a previous adjustment was granted under this paragraph (a) (12) the base period shall be the current year used in obtaining that adjustment, except that the total income shall be appropriately adjusted in accordance with the previous adjustment.

(viii) "Total income for the base period" means total rental and other income earned from the property and the full rental value of any accommodations in the property occupied in whole or in part rent free.

In making adjustments under this paragraph (a) (12), the Expediter shall take into consideration any adjustments in maximum rents ordered after the date the petition is filed, as well as any leases

which are in effect under section 204 (b) of the Housing and Rent Act of 1947, as amended.

No adjustment shall be granted under this paragraph (a) (12) with respect to housing accommodations regularly rented to employees of the landlord (so-called company housing).

In any case where a petition for adjustment under this paragraph (a) (12) was pending on June 30, 1948, the landlord may elect to have the petition processed under this section as it read prior to its amendment on July 10, 1948.

(13) *Rented to an employee of landlord.* The housing accommodations were rented to an employee of the landlord both on the date determining the maximum rent and at the time the order under this paragraph (a) (13) is issued, and after the date determining the maximum rent but prior to the effective date of regulation the landlord and tenant agreed, as the result of a continuous process of bargaining on interrelated matters, upon a wage increase and a rent increase, and the wage increase agreed upon has been put into effect.

(14) *Changes from year-round to seasonal renting.* The accommodations are located in a resort community, are primarily adapted to occupancy on a seasonal basis, are vacant and the establishment of seasonal variations in the rent would not, in the opinion of the area rent director, be inconsistent with the purposes of the act.

(15) *Approval of higher rents for priority constructed housing.* The maximum rent was established under section 4 (f) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, and prior to final completion of all units included in a single priority application, but subsequent to the first renting of said accommodations, the landlord made a written request to the appropriate agency of the United States to approve a higher rent than the rent initially approved because of increased costs of construction, and a higher rent was approved by such agency.

(16) *Landlord operating at a loss.* The landlord is operating at a loss. A landlord shall be considered to be operating at a loss if his operating expenses for the premises for the current year exceed his total annual income for such premises. A petition for adjustment under this section must be filed on form D–99, provided by the Expediter, and in accordance with instructions contained therein.

For the purposes of this paragraph (a) (16), the term:

(i) "Operating expenses" includes all property taxes and other operating costs, including depreciation (but excluding interest) necessary to the operation and maintenance of the premises properly chargeable and allocated to the "current year."

(ii) "Total annual income" means "present annual scheduled rental income" plus any other income earned from the operation of the premises during the current year.

(iii) "Present annual scheduled rental income" means the legal monthly rent for all units in the premises, both residential and commercial, on the date the petition is filed, multiplied by 12. In any case where an uncontrolled rental unit is vacant, or is occupied in whole or in part rent free on such date, the full rental value shall be considered the legal rent, and in any case where a unit was rented on a seasonal or varying rental basis during the year, ending on the date the petition was filed, the average monthly rent during such year shall be considered the legal rent.

(iv) "Current year" means any 12 consecutive months ending not more than 90 days prior to the date of the filing of the petition: *Provided, however,* that such current year must extend at least 6 months beyond the last date of the "current year" used in a previous petition on which an adjustment was granted due to operating loss.

(v) "Depreciation" means any one of the following:

The amount shown on the landlord's income tax return to the United States Bureau of Internal Revenue for the year including the maximum rent date; or,

Two and one-half percent of the value at which the building was assessed for tax purposes on the maximum rent date; or if it was not in existence on the maximum rent date, two and one-half percent of the first assessed value of the building; or,

The amount derived by multiplying the present annual scheduled rental income by the appropriate percentage as follows:

	Percent
For one or two-unit structures	21
For three or four-unit structures	16
For five or more unit structures	11

In making adjustments under this section the Exepditer shall take into consideration any adjustments in maximum rents after the date the petition is filed, as well as any leases which are in effect under section 204 (b) of the Housing and Rent Act of 1947, as amended.

No adjustment shall be granted under this section with respect to housing accommodations regularly rented to employees of the landlord (so-called company housing).

(b) *Decreases in minimum services, furniture, furnishings, equipment, and space.* (1) *Requirements for petition and order, or report.* The landlord shall, until the accommodations become vacant, maintain the minimum services, furniture, furnishings, and equipment as required under section 3, unless and until he has filed a petition to decrease the services, furniture, furnishings, or equipment and an order permitting a decrease has been entered thereon. When the accommodations become vacant, the landlord may on renting to a new tenant decrease the services, furniture, furnishings, or equipment below the minimum; within 10 days after so renting the landlord shall file a written report with the area rent director showing such decrease.

(2) *Adjustment in maximum rent for decreases on and after April 1, 1948.* The order on any petition under this paragraph (b) may require an appropriate adjustment in the maximum rent; and any maximum rent for which a report is required by this paragraph (b) may be decreased in accordance with the provisions of section 5 (c) (3).

If the landlord fails to file the report required by this paragraph (b) within the time specified, or decreases the services, furniture, furnishings, or equipment without an order authorizing such decrease where such order is required, the rent received by the landlord for any rental period commencing on or after such decrease or April 1, 1948, whichever is the later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order decreasing the maximum rent on account of such decrease in services, furniture, furnishings, or equipment. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to comply with this paragraph (b), the order may relieve the landlord of the duty to refund.

(3) *Adjustment in maximum rent for decreases prior to April 1, 1948.* Where a landlord decreased living space, services, furniture, furnishings, or equipment before April 1, 1948, while the accommodations were occupied, or decreased the living space, services, furniture, furnishings, or equipment during such period while the accommodations were vacant, and failed or fails to file a petition or a written report as was required by the provisions of this paragraph (b) prior to April 1, 1948, the rent received by the landlord for any rental period commencing on or after such decrease or July 1, 1947, whichever is later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order decreasing the maximum rent on account of such decrease in living space, services, furniture, furnishings, or equipment. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order, unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to comply with the provisions of this paragraph (b) in effect prior to April 1, 1948, the order may relieve the landlord of the duty to refund.

(c) *Grounds for decrease of maximum rent.* The Expediter at any time, on his own initiative or on application of the

tenant, may order a decrease of the maximum rent otherwise allowable only on the grounds that:

(1) *Rent higher than rents generally prevailing.* The maximum rent for housing accommodations established under paragraph (c), (d), (e), or (g), of section 4 of the Rent Regulation for Housing for the New York City Defense-Rental Area, issued pursuant to the Emergency Price Control Act of 1942, as amended, or under paragraph (c) or (e) of section 4 of this regulation is higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

Where the maximum rent for said housing accommodations was originally established under paragraph (c), (d), or (e), of section 4 of the Rent Regulation for Housing for the New York City Defense-Rental Area, issued pursuant to the Emergency Price Control Act of 1942, as amended, and the landlord failed, due to his fault, to file a timely proper registration statement, the rent received for any rental period commencing on or after July 1, 1947 shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under this section. Such amount shall be refunded to the tenant within 30 days after the date of the issuance of the order, unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. The landlord shall have the duty to refund only if the order under this section is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

[Section 5 (c) (1) amended by Amdt. 5, 13 F. R. 1864, effective 4-1-48]

(2) *Substantial deterioration.* There has been a substantial deterioration of the housing accommodations other than ordinary wear and tear since the date or order determining its maximum rent.

(3) *Decrease in space, services, furniture, furnishings or equipment.* There has been a decrease in the minimum services, furniture, furnishings or equipment required by section 3 since the date or order determining the maximum rent or a substantial decrease in the living space since June 30, 1947, but before April 1, 1948.

(4) *Special relationship between landlord and tenant or peculiar circumstances.* The rent on the date determining the maximum rent was materially affected by the blood, personal, or other special relationship between the landlord and tenant, or by peculiar circumstances and as a result was substantially higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

(5) *Varying rents.* The rent on the date determining the maximum rent was established by a lease or other rental agreement which provided for a lower rent at other periods during the term of such lease or agreement: *Provided,* That this subparagraph shall not apply to cases covered by paragraph (c) (8) of this section.

(6) *Seasonal rent.* The rent on the date determining the maximum rent was substantially higher than at other times of year by reason of seasonal demand or seasonal variations in the rent, for such housing accommodations. In such cases the Expediter's order may if he deems it advisable provide for different maximum rents for different periods of the calendar year.

(7) *Substantial decrease in occupancy.* There has been a substantial decrease in the number of subtenants or other occupants since an order under paragraph (a) (8) of this section or section 5 (a) (8) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.

(8) *Rent concession.* The rent on the date determining the maximum rent was established by a lease or other rental agreement for a period of occupancy of one or more years, which provided for a rent concession during such period of occupancy in the form of either a rent-free period or an abatement of rent.

(9) *Modification or elimination of necessity for increase under section 5 (a) (12).* There has been a modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (12) of this section or section 5 (a) (12) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, since the order issued under either of said paragraphs.

(d) *Orders where facts are in dispute, in doubt, or not known.* If the maximum rent, or any other fact necessary to the determination of the maximum rent, or the living space, services, furniture, furnishings or equipment required to be provided with the accommodations is in dispute between the landlord and the tenant, or is in doubt, or is not known, the Expediter at any time on his own initiative, may enter an order fixing the maximum rent by determining such fact, or determining the living space, services, furniture, furnishings, and equipment required to be provided with the accommodations, which order shall be effective to establish the maximum rent from July 1, 1947, or the date of first renting after July 1, 1947, whichever is applicable. If the Expediter is unable to ascertain such fact, or facts, he shall enter the order on the basis of the rent which he finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date and, where appropriate, may determine the living space, services, furniture, furnishings and equipment included in such rent.

[Paragraph (d) corrected, 12 F. R. 5422, effective 7-1-47]

(e) *Sale of underlying lease or other rental agreement.* Where housing accommodations or a predominant part thereof are occupied by one or more subtenants or other persons occupying under a rental agreement with the tenant the tenant may petition the Expediter for leave to exercise any right he would have except for this regulation to sell his underlying lease or other rental agreement. The Expediter may grant such petition if he finds that the sale will not result, and that sales of such character would not be likely to result in the circumvention or evasion of the act or this regulation. He may require that the sale be made on such terms as he deems necessary to prevent such circumvention or evasion.

(f) *Interim orders.* Where a petition is filed by a landlord on one of the grounds set out in paragraph (a) of this section or a proceeding is initiated by the Expediter under paragraph (d), the Expediter may enter an interim order increasing or fixing the maximum rent until further order subject to refund by the landlord to the tenant of any amount received in excess of the maximum rent established by final order in such proceeding. The receipt by the landlord of any rent authorized by such interim order shall constitute an agreement by the landlord with the tenant to refund to the tenant any amount received in excess of the maximum rent established by final order. The landlord shall make such refund either by repayment in cash or where the tenant remains in occupancy after the effective date of the final order, by deduction from the next installment of rent, or both.

(g) *Adjustments in case of options to buy.* No adjustment in the maximum rent shall be ordered on the ground that the landlord has, as a part of or in connection with a lease of housing accommodations, granted the tenant an option to buy the accommodations which are the subject of the lease. Where a lease of housing accommodations was in force on the date determining the maximum rent, and the landlord had on that date, as a part of or in connection with such lease, granted the tenant an option to buy the accommodations which are the subject of the lease, the Expediter may, on or after the termination of such lease, on his own initiative or on application of the tenant, enter an order fixing the maximum rent on the basis of the rents which the Expediter finds were generally prevailing in the defense-rental area for comparable housing accommodations not subject to an option to buy on the maximum rent date.

(h) *Public housing.* Where the maximum rent for any housing accommodations constructed by the United States or any agency thereof, or by a State of the United States or any of its political subdivisions, or any agency of the State, or any of its political subdivisions, and owned by any of the foregoing, is below the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, the owner of such accommodations may with the consent of the Expediter increase the maximum rents to such generally prevailing rent by re-registering such accommodations at such generally prevailing rent.

For the purpose of this section, any corporation formed under the laws of a State shall not be considered an agency of the United States.

(i) *Adjustment to correct determinations of maximum rent.* The Expediter at any time on petition of the landlord or on his own initiative may enter an order adjusting the maximum rent where the maximum rent in effect

on June 30, 1947 was established by an order issued under the rent regulations issued pursuant to the Emergency Price Control Act of 1942, as amended, and such order was based upon an erroneous determination of fact or law.

[Paragraph (i) added by Am. 1, 12 F. R. 5455, effective 8-8-47]

SECTION 6

SEC. 6. *Inspection.* Any person who rents or offers for rent or acts as a broker or agent for the rental of housing accommodations and any tenant shall permit such inspection of the accommodations by the Expediter as he may, from time to time, require.

SECTION 7

SEC. 7. *Registration*—(a) *Registration statement.* Every landlord of controlled housing accommodations rented or offered for rent shall file in triplicate a written statement on the form provided therefor, to be known as a registration statement, unless a registration statement was heretofore filed in accordance with the provisions of section 7 of the rent regulation for housing, issued pursuant to the Emergency Price Control Act of 1942, as amended. For housing accommodations rented prior to June 1, 1947, such registration statement shall be filed on or before July 10, 1947. For housing accommodations first rented on or after June 1, 1947, such registration statement shall be filed on or before July 30, 1947, or within 30 days after first renting, whichever is later. The statement shall identify each dwelling unit and specify the maximum rent provided by this regulation for such dwelling unit and shall contain such other information as the Expediter shall require. The original shall remain on file with the Expediter and he shall cause one copy to be delivered to the tenant and one copy, stamped to indicate that it is a correct copy of the original to be returned to the landlord. In any subsequent change of tenancy the landlord shall exhibit to the new tenant his stamped copy of the registration statement and shall obtain the tenant's signature and the date thereof on the back of such statement.

[Above paragraph corrected, 12 F. R. 5422, effective 7-1-47]

When the maximum rent is changed by order of the Expediter, the landlord shall deliver his stamped copy of the registration statement to the area rent office for appropriate action reflecting such change.

Where, since the filing of the registration statement for any controlled housing accommodations, there has been a change in the identity of the landlord, by transfer of title or otherwise, the new landlord shall file a notice of such change on a form provided for that purpose, to be known as a notice of change in identity within 15 days after the change, or July 1, 1947, whichever is later. If the new landlord indicates on the notice of change in identity that he has not obtained the landlord's copy of the original registration statement, the Expediter shall cause to be prepared and delivered to him a true copy of said original, which may be used to satisfy all requirements of this paragraph (a).

Any notice, order or other process or paper directed to the person named on the registration as the landlord at the address given thereon, or, where a notice of change in identity has been filed, to the person named as landlord and at the address given in the most recent such notice, shall, under the circumstances prescribed in Revised Rent Procedural Regulation 1 constitute notice to the person who is then the landlord.

The provisions of this section shall be applicable to any housing accommodations whose maximum rent was determined under section 4 (g) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, on its sale by the owning agency, and within thirty days after the sale of such accommodations the new landlord shall file a registration statement as provided in subsection (a) of this section: *Provided, however,* That if the housing accommodations are sold to the United States or a State of the United States or any of its political subdivisions, or any agency of the foregoing, subsection (c) of this section shall continue to be applicable.

(b) *Receipt for amount paid.* No payment of rent need be made unless the landlord tenders a receipt for the amount to be paid.

(c) *Exceptions from registration requirements*—(1) *Housing owned and constructed by governmental agencies.* The provisions of this section shall not apply to housing accommodations whose maximum rent was originally determined under section 4 (g) of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended. The owner of such housing accommodations shall file a schedule or schedules, setting out the maximum rents for all such accommodations in the defense-rental area and containing such other information as the Expediter shall require. A copy of such schedule or schedules shall be posted by the owner in a place where it will be available for inspection by the tenants of such housing accommodations.

(2) *Housing subject to rent schedule of War or Navy Department.* The provisions of this section shall not apply to housing accommodations rented to either Army or Navy personnel, including any civilian employees of the War and Navy Departments, for which the rent is fixed by the national rent schedule of the War or Navy Department.

SECTION 8

SEC. 8. *Evasion*—(a) *General.* The maximum rents and other requirements provided in this regulation shall not be evaded, either directly or indirectly, in connection with the renting or leasing or the transfer of a lease of housing accommodations, by way of absolute or conditional sale, sale with purchased money or other form of mortgage, or sale with option to repurchase or by modification of the practices relating to payment of commissions or other charges or by modification of the services furnished with housing accommodations, or by tying agreement, or otherwise.

[Paragraph (a) corrected, 12 F. R. 5422, effective 7-1-47]

(b) *Purchase of property as condition of renting.* Specifically, but without limitation on the foregoing, no person shall require a tenant or prospective tenant to purchase or agree to purchase furniture or any other property as a condition of renting housing accommodations unless the prior written consent of the Expediter is obtained.

SECTION 9

SEC. 9. *Enforcement.* Persons violating any provision of this regulation are subject to civil enforcement actions and suits for treble damages as provided by the act.

SECTION 10

SEC. 10. *Procedure.* All registration statements, reports and notices provided for by this regulation shall be filed with the area rent office. All landlord's petitions and tenant's applications shall be filed with such office in accordance with Revised Rent Procedural Regulation 1.

SECTION 11

SEC. 11. [Revoked.]

SECTION 12

SEC. 12. *Adoption of orders.* All orders issued pursuant to section 2 (c), 2 (d) (3) and 2 (d) (7) of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, which were in effect on June 30, 1947, shall be deemed to continue in effect under this regulation unless and until revoked or modified by the Expediter.

EVICTION PROVISIONS OF THE ACT

EXCERPT FROM THE HOUSING AND RENT ACT OF 1947, AS AMENDED, EFFECTIVE APRIL 1, 1948

SEC. 209. (a) No action or proceeding to recover possession of any controlled housing accommodations with respect to which a maximum rent is in effect under this title shall be maintainable by any landlord against any tenant in any court, notwithstanding the fact that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled unless:

(1) Under the law of the State in which the action or proceeding is brought the tenant is (A) violating the obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this Act or an obligation to surrender possession of such housing accommodations) or (B) is committing a nuisance in such housing accommodations or using such housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes;

(2) The landlord seeks in good faith to recover possession of such housing accommodations for his immediate and personal use and occupancy as housing accommodations, or for the immediate and personal use and occupancy as housing accommodations by a member or members of his immediate family, or, in the case of a landlord which is an organization exempt from taxation under section 101 (6) of the Internal Revenue Code, for the immediate and personal use and occupancy as housing accommodations of members of its staff: *Provided,* That in the case of housing accommodations in a structure or

premises owned or leased by a cooperative corporation or association no action or proceeding under this paragraph or paragraph (3) to recover possession of any such housing accommodations shall be maintained unless stock in the cooperative corporation or association has been purchased by persons who are then stockholder tenants in occupancy of at least 65 per centum of the dwelling units in the structure or premises and are entitled by reason of stock ownership to proprietary leases of dwelling units in the structure or premises; but this proviso shall not apply where such corporation or association acquires or leases such structure or premises after the effective date of the Housing and Rent Act of 1948 pursuant to a contract entered into prior to such date;

(3) The landlord has in good faith contracted in writing to sell the housing accommodations to a purchaser for the immediate and personal use and occupancy as housing accommodations by such purchaser;

(4) The landlord seeks in good faith to recover possession of such housing accommodations (A) for the immediate purpose of substantially altering or remodeling the same for continued use as housing accommodations, or for the immediate purpose of conversion into additional housing accommodations, and the altering, remodeling, or conversion cannot practically be done with the tenant in occupancy, and the landlord has obtained such approval as may be required by Federal, State, or local law for the alterations, remodeling, or any conversion planned, or (B) for the immediate purpose of demolishing such housing accommodations;

(5) The landlord seeks in good faith to recover possession of such housing accommodations for the immediate purpose of withdrawing such housing accommodations from the rental market, and such housing accommodations shall not thereafter be offered for rent as such; or

(6) The housing accommodations have been acquired by a State or any political subdivision thereof for the purpose of making a public improvement and are rented temporarily pending the construction of such improvement.

(b) Notwithstanding any other provision of this Act, the United States or any State or local public agency may maintain an action or proceeding to recover possession of any housing accommodations operated by it where such action or proceeding is authorized by the statute or regulations under which such accommodations are administered: *Provided,* That nothing in this subsection shall be deemed to authorize the maintenance of any such action or proceeding upon the ground that the income of the occupants of the housing accommodations exceeds the allowable maximum unless such income, less any amounts paid to such occupants by the Veterans' Administration on account of service-connected disability or disabilities, exceeds the allowable maximum.

(c) No tenant shall be obliged to surrender possession of any housing accommodations pursuant to the provisions of paragraph (2), (3), (4), (5), or (6) of subsection (a) until the expiration of at least sixty days after written notice from the landlord that he desires to recover possession of such housing accommodations for one of the purposes specified in such paragraphs.

Effective date. This Controlled Housing Rent Regulation for the New York City Defense-Rental Area shall become effective July 1, 1947. [Originally issued June 30, 1947.]

[Effective dates of amendments are shown in notes following the parts affected. The changes made by Amdt. 6 issued July 1, 1948 and effective July 10, 1948 are indicated by underscoring.]

NOTE: All reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 48-6226; Filed, July 9, 1948; 11:22 a. m.]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947 AS AMENDED

CONTROLLED HOUSING RENT REGULATION FOR MIAMI DEFENSE-RENTAL AREA,[1] INCLUDING AMENDMENTS 1–7

§ 825.3 *Controlled Housing Rent Regulation for Miami Defense-Rental Area.* The Controlled Housing Rent Regulation for Miami Defense-Rental Area, issued pursuant to the Housing and Rent Act of 1947, Public Law 129, 80th Congress, as amended, is as follows:

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[1] 12 F. R. 4374, 5422, 5455, 5698; 13 F. R. 231, 441, 1118, 1867.

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SECTION 1

SECTION 1. *Definitions and scope of this regulation.* "Act" means the Housing and Rent Act of 1947, as amended.

"Expediter" means the Housing Expediter or the Rent Director or such other person or persons as the Expediter may appoint or designate to carry out any of the duties delegated to him by the act.

"Rent Director" means the person designated by the Expediter as director of the Defense-Rental Area or such person or persons as may be designated to carry out any of the duties delegated to the Rent Director by the Expediter.

"Local Advisory Board" means a board created in a defense-rental area, or a part thereof, the members of which are appointed by the Housing Expediter upon recommendations made by the Governor or as otherwise required by section 204 (e) of the Housing and Rent Act of 1947, as amended.

[Above paragraph added by Amdt. 2, 12 F. R. 5698, effective 8-22-47; amended by Amdt. 6, 13 F. R. 1867, effective 4-1-48]

"Area Rent Office" means the office of the Rent Director in the Defense-Rental Area.

"Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the aforegoing.

"Housing accommodations" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes, together with all privileges, services, furnishings, furniture, equipment, facilities and improvements connected with the use or occupancy of such property.

"Controlled housing accommodations" means any housing accommodation in the Defense-Rental Area which is not specifically exempted from control or decontrolled under this regulation.

"Services" includes repairs, decorating and maintenance, the furnishing of light, heat, hot and cold water, telephone, elevator service, window shades, and storage, kitchen, bath, and laundry facilities and privileges, maid service, linen service, janitor service, and removal of refuse and any other privilege or facility connected with the use or occupancy of housing accommodations.

"Landlord" includes an owner, lessor, sublessor, assignee or other person receiving or entitled to receive rent for the use or occupancy of any housing accommodations, or an agent of any of the foregoing.

"Tenant" includes a subtenant, lessee, sublessee, or other person entitled to the possession or to the use or occupancy of any housing accommodations.

"Rent" means the consideration, including any bonus, benefit, or gratuity, demanded or received for or in connection with the use or occupancy of housing accommodations or the transfer of a lease of such accommodations.

"Hotel" means any establishment which is commonly known as a hotel in the community in which it is located and which provides customary hotel services.

[Above paragraph amended by Am. 1, 12 F. R. 5455, effective 8-8-47; amended by Amdt. 6, 13 F. R. 1867, effective 4-1-48]

"Motor court" means an establishment renting rooms, cottages or cabins; supplying parking or storage facilities for motor vehicles in connection with such renting and other services and facilities customarily supplied by such establishment; and commonly known as a motor, auto or tourist court in the community.

"Tourist home" means a rooming house which caters primarily to transient guests and is known as a tourist home in the community.

"Rooming house" means, in addition to its customary usage, a building or portion of a building other than a hotel or motor court in which a furnished room or rooms not constituting an apartment are rented on a short term basis of daily, weekly or monthly occupancy to more than two paying tenants, not members of the landlord's immediate family. The term includes boarding houses, dormitories, trailers not a part of a motor court, residence clubs and all other establishments of a similar nature, including tourist homes.

[Above paragraph corrected effective 7-1-47; 12 F. R. 5422.]

"Maximum rent date" means September 1, 1943, the maximum rent date for the Miami County Defense-Rental Area as established under the Emergency Price Control Act of 1942, as amended.

"Date determining maximum rent" means the date as of which a maximum rent was determined for any particular housing accommodation in accordance with the Emergency Price Control Act of 1942, as amended, and the regulations issued thereunder, or under section 4 (b), (c), or (e) of this regulation, whichever is applicable.

"Effective date of regulation" means November 1, 1943, the effective date of all provisions of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, except as to section 7 of that regulation which became effective October 1, 1943 in the County of Dade and October 15, 1943 in the City of Hollywood and the Town of Hallandale in the County of Broward, in the State of Florida.

The term "Rent Regulation for Housing" as herein used, means the Rent Regulation for Housing for the Miami Defense-Rental Area.

(a) *Housing and defense-rental area to which this regulation applies.* This regulation applies to all housing accommodations in the Miami Defense-Rental Area, consisting of the County of Dade and the City of Hollywood and the Town of Hallandale in the County of Broward in the State of Florida, except as provided in paragraph (b) of this section. The Miami Defense-Rental Area is referred to hereinafter in this regulation as the "Defense-Rental Area."

(b) *Decontrolled and exempted housing to which this regulation does not apply*—(1) *Exempted housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Farming tenants.* Housing accommodations situated on a farm and occupied by a tenant who is engaged for a substantial portion of his time in farming operations thereon.

(ii) *Service employees.* Dwelling space occupied by domestic servants, caretakers, managers, or other employees to whom the space is provided as part or all of their compensation and who are employed for the purpose of rendering services in connection with the premises of which the dwelling space is a part.

(iii) *Accommodations subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments.* Rooms or other housing accommodations subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments in Miami Defense-Rental Area.

(iv) *Structures subject to underlying leases.* (a) Entire structures or premises wherein more than 25 rooms are rented or offered for rent by any lessee, sublessee or other tenant of such entire structure or premises, except as provided in (c) below.

(b) Entire structures or premises where 25 or less rooms are rented or offered for rent by any lessee, sublessee, or other tenant of such entire structures or premises, provided that all of the housing accommodations in such structures or premises are exempt or decontrolled under the provisions of this section and are not subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments for Miami Defense-Rental Area.

(c) This regulation does apply to an underlying lease of any entire structure or premises which was entered into after the maximum rent date and prior to the effective date of the regulation while such lease remains in force with no power in the tenant to cancel or otherwise terminate the lease, unless all of the housing accommodations in such structure are exempt or decontrolled under the provisions of this section and are not subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments in Miami Defense-Rental Area.

(v) *Rented to National Housing Agency.* Housing accommodations rented to the United States acting by the National Housing Agency: *Provided, however,* That this regulation does apply to a sublease or other subrenting of such accommodations or any part thereof.

(vi) *Winter resort housing.* Housing accommodations located in a resort community and customarily rented or occupied on a seasonal basis prior to November 1, 1943, which were not rented during any portion of the period beginning on June 1, 1946, and ending on September 30, 1946: *Provided, however,* That the Area Rent Director may by order extend the above exemption to housing accommodations otherwise qualified which were rented or offered for rent for a period of not in excess of two weeks during the above period.

This exemption shall be effective only from October 1 to May 31.

(vii) *Tourist tenants.* Housing accommodations located in a resort community which, during at least six months of the year ending May 31, 1947, were either rented to tourist tenants or vacant, or both, and which were rented to a tourist tenant or not rented on May 31, 1947. This exemption shall apply to such accommodations only while rented to tourist tenants. For the purpose of this section, the term "tourist tenant" shall mean a tenant having his domicile outside of the resort community who is, or was, temporarily residing within such community: *Provided, however,* That the term shall not include a tenant who has continuously resided in the resort community for a period of more than nine months immediately prior to May 31, 1947, or more than nine months immediately prior to the date of renting the accommodations, whichever is the later.

(2) *Decontrolled housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Accommodations in hotels, motor courts, trailers and trailer spaces, and tourist homes.* (*a*) Housing accommodations in a hotel (see definition of hotel in Section 1) which on June 30, 1947, were occupied by persons to whom were provided customary hotel services such as maid service, furnishing and laundering of linen, telephone and secretarial or desk service, use and upkeep of furniture and fixtures, and bellboy services (not necessarily all the types of services named need be provided in all cases, as long as enough are provided to constitute customary hotel services usually supplied in establishments commonly known as hotels in the community where they are located); (*b*) housing accommodations in establishments which were motor courts on June 30, 1947; (*c*) housing accommodations located in trailers and ground space rented for trailers; and (*d*) housing accommodations in any tourist home serving transient guests exclusively on June 30, 1947.

Reporting requirements. Every landlord of housing accommodations referred to in paragraphs (*a*) and (*b*) above, who has not filed an application for decontrol prior to April 1, 1948, shall, on or before June 1, 1948, file in the area rent office a report of decontrol of such accommodations on a form provided by the Expediter.

(ii) *Accommodations created by new construction or conversion.* (*a*) Housing accommodations the construction of which was completed on or after February 1, 1947, or which are additional housing accommodations created by conversion on or after February 1, 1947: *Provided, however,* That maximum rents established under the Veterans' Emergency Housing Act for priority constructed housing accommodations completed on or after February 1, 1947, shall continue in full force and effect if such accommodations are being rented to veterans of World War II or their immediate families who, on June 30, 1947, either (1) occupied such housing accommodations, or (2) had a right to occupy such housing accommodations at any time on or after July 1, 1947, under any agreement whether written or oral; (*b*) housing accommodations the construction of which was completed on or after February 1, 1945, and prior to February 1, 1947, and which between the date of completion and June 30, 1947, both dates inclusive, at no time were rented (other than to members of the immediate family of the landlord) as housing accommodations.

For the purposes of this paragraph (ii) the time at which construction of housing accommodations shall be deemed to be "completed" shall be the date on which the dwelling is first suitable for occupancy and all utility and service connections have been made, except for the installation of such items and the completion of such decoration work as, in accordance with the custom of the community, are left for installation by, or to the choice of, the purchaser or the tenant; and the word "conversion" means (1) a change in a structure from a nonhousing to a housing use or (2) a structural change in a residential unit or units involving substantial alterations or remodeling and resulting in the creation of additional housing accommodations.

(iii) *Accommodations not rented for two-year period.* Housing accommodations which for any successive 24-month period during the period February 1, 1945, to March 30, 1948, both dates inclusive, were not rented (other than to members of the immediate family of the landlord) as housing accommodations.

(iv) *Non-housekeeping furnished accommodations.* Non-housekeeping furnished housing accommodations, located within a single dwelling unit not used as a rooming or boarding house, but only if no more than two paying tenants, not members of the landlord's immediate family live in such dwelling unit, and the remaining portion of such dwelling unit is occupied by the landlord or his immediate family. (See definition of rooming house in section 1.)

(v) *Leased accommodations.* (*a*) Except as hereinafter provided in this paragraph (v), housing accommodations concerning which a landlord and tenant on or before December 31, 1947, voluntarily entered into a valid written lease in good faith and such lease took effect on or after July 2, 1947, but before January 1, 1948, and such lease by its terms expires on or after December 31, 1948, and provided for a rent not in excess of 15 percent above the maximum rent in effect prior to the effective date of such lease and a true and duly executed copy of such lease was filed with the Housing Expediter within 15 days after the date of execution thereof.

(*b*) Except as hereinafter provided in this paragraph (v), housing accommodations concerning which a landlord and tenant (including landlords and tenants who have executed leases in accordance with paragraph (*a*) above and including any new tenant) on or before December 31, 1948, voluntarily enter into a valid written lease in good faith for a rent not in excess of 15 percent over the maximum rent which in the absence of a lease would be in effect with respect thereto on March 30, 1948, plus or minus the amount of any adjustment under section 5 of this regulation, and such lease takes effect on or after April 1, 1948, and expires on or after December 31, 1949, and a true and duly executed copy of such lease is filed with the Expediter within 15 days after the date of execution of such lease.

Exceptions to (a) and (b) above. All housing accommodations referred to in paragraph (*a*) shall be subject to this regulation unless the lease provided for the same living space, services, furniture, furnishings and equipment with the housing accommodations as were required to be provided by this regulation prior to the effective date of the lease.

All housing accommodations referred to in paragraph (*b*) shall be subject to this regulation unless the lease provides for the same living space, services, furniture, furnishings and equipment with the housing accommodations which in the absence of a lease would be required to be provided by this regulation on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

All housing accommodations referred to in paragraphs (*a*) and (*b*) shall be subject to this regulation if the lease is terminated or expires on or after April 1, 1948, and before March 31, 1949, unless a subsequent lease entered into under the provisions of paragraph (*b*) above is in force.

Reporting requirements. A landlord shall file Form D–92—Registration of Lease—in triplicate— with the true and duly executed copy of the lease required to be filed in paragraph (*b*) above.

A landlord shall file a report in the area rent office, on a form provided by the Expediter, of any termination of a lease referred to in paragraphs (*a*) or (*b*) above prior to the expiration date of the lease. Such report shall be filed within fifteen days after such termina-

tion or fifteen days after April 1, 1948, whichever is later.

[Section 1 (b) amended by amdt. 6, 13 F. R. 1867, effective 4-1-48]

(c) *Effect of this regulation on leases and other rental agreements.* The provisions of any lease or other rental agreement shall remain in force pursuant to the terms thereof, except insofar as those provisions are inconsistent with this regulation.

(d) *Waiver of benefit void.* An agreement by the tenant to waive the benefit of any provision of this regulation is void. A tenant shall not be entitled by reason of this regulation to refuse to pay or to recover any portion of any rents due or paid for use or occupancy prior to the effective date of this regulation.

SECTION 2

SEC. 2. *Prohibition against higher than maximum rents*—(a) *General prohibition.* Regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, no person shall offer, demand or receive any rent for or in connection with the use or occupancy on and after the effective date of this regulation of any housing accommodations within the defense-rental area higher than the maximum rents provided by this regulation; and no person shall offer, solicit, attempt, or agree to do any of the foregoing. A reduction in the services, furniture, furnishings or equipment required under section 3 of this regulation shall constitute an acceptance of rent higher than the maximum rent. Lower rents than those provided by this regulation may be demanded or received.

(b) *Lease with option to buy.* Where a lease of housing accommodations was entered into prior to the effective date of regulation and the tenant as a part of such lease or in connection therewith was granted an option to buy the housing accommodations which were the subject of the lease, with the further provision that some or all of the payments made under the lease should be credited toward the purchase price in the event such option is exercised, the landlord, notwithstanding any other provision of this regulation may be authorized to receive payment made by the tenant in accordance with the provisions of such lease and in excess of the maximum rent for such housing accommodations. Such authority may be secured only by a written request of the tenant to the area rent office and shall be granted by order of the Expediter if he finds that such payments in excess of the maximum rent will not be inconsistent with the purposes of the Act or this regulation and would not be likely to result in the circumvention or evasion thereof. After entry of such order the landlord shall be authorized to demand, receive and retain and the tenant shall be authorized to offer payments provided by the lease in excess of the maximum rent for periods commencing on or after the effective date of this regulation. After entry of such order, the provisions of the lease may be enforced in accordance with law, notwithstanding any other provision of this regulation. Nothing in this paragraph shall be construed to authorize the landlord to demand or receive or the tenant to offer payments in excess of the maximum rent in the absence of an order of the Expediter as herein provided. Where a lease of housing accommodations has been entered into on or after the effective date of regulation, and the tenant as a part of such lease or in connection therewith has been granted an option to buy the housing accommodations which are the subject of the lease, the landlord, prior to the exercise by the tenant of the option to buy, shall not demand or receive nor shall the tenant offer payments in excess of the maximum rent, whether or not such lease allocates some portion or portions of the periodic payments therein provided as payments on or for the option to buy.

(c) *Security deposits*—(1) *General prohibition.* Regardless of any contract, agreement, lease or other obligation heretofore or hereafter entered into, no person shall demand, receive or retain a security deposit for or in connection with the use or occupancy of housing accommodations within the defense-rental area except as provided in this paragraph (c). The term "security deposit", in addition to its customary meaning, includes any prepayment of rent except payment in advance of the next periodic installment of rent for a period no longer than one month but shall not include rent voluntarily prepaid subsequent to possession by a tenant under a written lease for his own convenience.

(2) *Maximum rent established under section 4 (a) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (a), no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on the date determining the maximum rent established under said section 4 (a).

(3) *Maximum rent established under section 4 (b) or (f) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (b) or (f), no security deposit shall be demanded or received.

(4) *Maximum rent established under section 4 (c) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (c), no security deposit shall be demanded, received, or retained.

(5) *Maximum rent established under section 4 (d) or (e) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (d) or (e), no security deposit shall be demanded or received, except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on September 1, 1944. Where such accommodations were or are first rented after September 1, 1944, no security deposit shall be demanded, received, or retained.

(6) *Deposits to secure the return of certain movable articles.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may petition for an order authorizing the demand and receipt of a deposit to secure the return of movable articles. If the landlord shows that he has a special need therefor, the Expediter may enter an order authorizing a security deposit, not in excess of ten dollars, to secure the return of the movable articles specified in the order.

(7) *Deposits on certain furnished leased accommodations.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may demand, receive and retain as a security deposit, the rent for the last rental period of the term, not exceeding one month, where a newly constructed housing accommodation is, or was, rented and occupied for the first time after March 25, 1947, fully furnished, under a written lease, or where such newly constructed housing accommodation was rented and occupied for the first time on or prior to March 25, 1947, fully furnished, under a written lease, and was constructed with a priority rating or under specific authorization by the United States or any agency thereof for which the rent was approved by the United States or any agency thereof and the entire project covered by the single priority application of which the housing accommodation was a part was not completed until after March 25, 1947.

[Subparagraph (7) amended by Am. 1, 12 F.R. 5455; effective 8-8-47]

(8) *Deposits based on prior rental practices.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may demand, receive, and retain, in the case of any rental agreement entered into on or after April 1, 1948, a security deposit, if said deposit does not exceed the rent for one month in addition to the otherwise authorized collection of rent in advance, if the demand, collection or retention of such a security deposit was an accepted rental practice, prior to January 30, 1942, in the area in which the premises are located, or was customarily required before that date by the same landlord in the renting of the particular housing accommodations involved, and if the tenant is allowed, under the terms of the rental agreement, to occupy the premises for the period covered by the security deposit without further payment of rent. Each area rent director shall determine the rental practice or practices, prior to January 30, 1942, with reference to such security deposits in the particular area or any portion thereof.

[Subparagraph (8) added by amdt. 6, 13 F. R. 1867, effective 4-1-43]

SECTION 3

SEC. 3. *Minimum space, services, furniture, furnishings, and equipment.* Except as set forth in section 4 (e) or 5 (b) or as otherwise provided in this section, every landlord, shall, as a minimum, provide with housing accommodations the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation on March 31, 1948.

Where the maximum rent is determined under section 4 (b) (1) of this regulation, the landlord shall, as a minimum, provide with the housing accommodations the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation prior to the effective date of the lease.

Where the maximum rent is determined under section 4 (b) (2) of this regulation, the landlord shall, as a minimum, provide with the housing accommodations the same living space, services, furniture, furnishings, and equipment as he would be required to provide by this regulation in the absence of a lease, on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

[Section 3 amended by amdt. 6, 13 F. R. 1867, effective 4-1-48]

SECTION 4

SEC. 4. (a) *Maximum rents in effect on June 30, 1947.* The maximum rent for any housing accommodation under this regulation (unless and until changed by the Expediter as provided in section 5), shall be the maximum rent which was in effect on June 30, 1947, as established under the Emergency Price Control Act of 1942, as amended, and the applicable rent regulation issued thereunder, except as otherwise provided in this section.

(b) *Maximum rent on termination of lease.* (1) For housing accommodations concerning which a lease as described in section 1 (b) (2) (v) (a) was in effect, but is terminating on or after April 1, 1948, but before March 31, 1949, the maximum rent shall be the rent provided by the lease, or the maximum rent which would have been in effect for said accommodations on March 30, 1948, in the absence of such lease, whichever is higher.

(2) For housing accommodations concerning which a lease as described in section 1 (b) (2) (v) (b) was in effect and is terminated before March 31, 1949, the maximum rent shall be the rent provided by the lease.

[Section 4 (b) amended by Amdt. 6, 13 F. R. 1867, effective 4-1-48]

(c) *First rent after June 30, 1947 (see also section 4 (e)).* For controlled housing accommodations first rented on or after July 1, 1947, the maximum rent shall be the first rent for such accommodations or one-twelfth of the total rent for the year ending on August 31, 1943, whichever is the higher. Within 30 days after so renting, the landlord shall register the accommodations as provided in section 7. The Expediter may order a decrease in the maximum rent as provided in section 5 (c) (1).

[Section 4 (c) amended by Amdt. 6, 13 F. R. 1867, effective 4-1-48]

If the landlord fails to file a proper registration statement within the time specified, the rent received for any rental period commencing on or after the date of the first renting shall be received, subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under section 5 (c) (1). Such amount shall be refunded to the tenant within 30 days after the date of the issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to file a proper registration statement within the time specified, the order under section 5 (c) may relieve the landlord of the duty to refund. The landlord shall have the duty to refund only if the order under section 5 (c) is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

(d) *Housing subject to schedule of War or Navy Department.* Where housing accommodations on June 30, 1947 are rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments for which the rent is fixed by the national rent schedule of the War and Navy Departments, and on or after July 1, 1947, the rents on such housing accommodations cease to be governed by the national rent schedule of the War or Navy Departments, the maximum rents shall be those which would have been applicable under the appropriate subsection of section 4 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, or shall be established under section 4 (c) of this regulation.

(e) *Increase or decrease in space on or after April 1, 1948.* Where housing accommodations are changed on or after April 1, 1948, by a substantial increase or decrease in dwelling space, the maximum rent for the housing accommodations resulting from such change shall be the first rent charged after such change: *Provided, however,* That the Expediter at any time may order a decrease in the maximum rent as provided in section 5 (c) (1) and 5 (c) (6): *And provided further,* That the rent received for any rental period commencing on or after the date of the first renting shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under sections 5 (c) (1) or 5 (c) (6). Such amount shall be refunded within 30 days after the date of the issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. The order entered by the Expediter shall fix the maximum rent retroactively to the date of first renting after such change. The landlord shall, within 30 days after renting said accommodations, file a proper registration statement in the area office in accordance with the provisions of section 7 herein. The landlord shall have the duty to refund only if the order under this section is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

[Section 4 (e) added by Amdt. 6, 13 F. R. 1867; effective 4-1-48]

SECTION 5

This section sets forth specific standards for the adjustment of maximum rents. In applying these standards and entering orders increasing or decreasing maximum rents, the Expediter shall give full consideration to the correction of inequities in maximum rents and the purposes and provisions of the Housing and Rent Act of 1947, as amended.

In the circumstances enumerated in this section, the Expediter may issue an order changing the maximum rents otherwise allowable or the minimum space, services, furniture, furnishings or equipment required, except in cases where an order increasing or decreasing the maximum rent on the same facts and grounds was entered under the rent regulations issued pursuant to the Emergency Price Control Act of 1942, as amended.

In making adjustments under this section, recommendations of local advisory boards shall be approved within 30 days if appropriately substantiated and in accordance with applicable law and regulations. If any recommendation cannot be acted upon within 30 days the board shall be notified in writing of the reasons therefor.

In cases under paragraphs (a) (2), (a) (8), (a) (9), (a) (11), (c) (1), (c) (3), and (c) (5), the adjustment of the maximum rent shall be on the basis of the maximum rent which the Expediter finds is generally prevailing in the defense-rental area for comparable housing accommodations.

In cases under paragraphs (a) (1), (a) (3), (a) (6), (c) (2), (c) (4) and (c) (6), the adjustment of the maximum rent shall be the amount the Expediter finds would have been, on September 1, 1943, or during the year ending on August 31, 1943, the difference in the rental value of the housing accommodations by reason of the change upon which the adjustment is based: *Provided,* That in cases under sections 5 (a) (3), 5 (c) (1), and 5 (c) (4) involving an increase or decrease in living space, the adjustment shall be either the amount the Expediter finds would have been on the maximum rent date the difference in the rental value of the housing accommodations by reason of such change or on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date, whichever is higher.

In cases under paragraph (h), the adjustment of the maximum rent shall be on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable housing accommodations during the corresponding month of the year ending on August 31, 1943.

In cases involving construction, appropriate allowance shall be made for general increases in costs of construction in the defense-rental area since 1939.

In the cases involving a major capital improvement, an increase or decrease in the services, furniture, furnishings or equipment, an increase or decrease in the number of subtenants or other occupants, or a deterioration, no adjustment shall be ordered to the extent that a rent used in establishing the maximum rent was fixed in contemplation of and so as to reflect such change.

In cases under paragraph (a) (10) the maximum rent shall be adjusted to an amount to be ascertained by adding to the total rent for the year ending on August 31, 1943, an amount equal to the rent for the housing accommodations during the month or months of that year most nearly comparable to the month or months during which the accommodations were not rented, and dividing by twelve.

In cases under section 5 (a) (3) appropriate allowance shall be made for general increases in costs of services, furniture, furnishings or equipment in the defense-rental area since the maximum rent date.

In cases under paragraph (a) (12) of this section, the adjustment in the maximum rent shall be in the amount necessary to relieve the substantial hardship.

In cases under paragraph (c) (7) of this section, the adjustment in the maximum rent shall be in the amount the Expediter finds warranted by the modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (12) of this section: *Provided,* That no decrease shall be ordered in an amount greater than the adjustment ordered under paragraph (a) (12) of this section.

In cases under paragraph (a) (13) of this section the adjustment shall be in the amount of the difference between the rent on the date determining the maximum rent and the rent agreed upon by the landlord and tenant as a result of a continuous process of bargaining on interrelated matters.

In cases under paragraph (a) (14) of this section, the adjustment shall be the amount of the rent increase granted by the appropriate agency of the United States.

In cases under paragraph (j) of this section the adjustment shall be in the amount necessary to correct the error.

In cases under paragraph (a) (15) of this section, the adjustment shall be in the amount necessary to relieve the controlled rental units of their share of the operating loss.

In all cases under paragraph (a) of this section the adjustment in the maximum rent shall be effective as of the date of the filing of the landlord's petition.

[Unnumbered paragraphs of Section 5 amended by Amdt. 6, 13 F. R. 1867; effective 4–1–48]

(a) *Grounds for increase of maximum rent.* Any landlord may file a petition for adjustment to increase the maximum rent otherwise allowable only on the grounds that:

(1) *Major capital improvement after September 1, 1943.* There has been, since September 1, 1943, a substantial change in the housing accommodations by a major capital improvement as distinquished from ordinary repair, replacement and maintenance.

[Subparagraph (1) corrected effective 7–1–47; 12 F. R. 5422]

(2) *Major capital improvement or change to furnished prior to September 1, 1943.* There was during the year ending on August 31, 1943, a substantial change in the housing accommodations by a major capital improvement as distinguished from ordinary repair, replacement and maintenance, or a change from unfurnished to fully furnished, and as a result the maximum rent for the housing accommodations is substantially lower than the maximum rent generally prevailing in the defense-rental area for comparable housing accommodations.

(3) *Substantial increase in space, services, furniture, furnishings or equipment.* There has been, since September 1, 1943, a substantial increase in the services, furniture, furnishings or equipment provided with the housing accommodations or a substantial increase in the living space since June 30, 1947, but before April 1, 1948. No increase in the maximum rent shall be ordered on the ground set forth in this paragraph (a) (3) unless the increase in living space, services, furniture, furnishings or equipment occurred with the consent of the tenant or while the accommodations were vacant: *Provided,* That an adjustment may be ordered, although the tenant refuses to consent to the increase in living space, services, furniture, furnishings or equipment, if the Expediter finds that such increase (i) is reasonably required for the operation of a multiple dwelling structure or other structure of which the accommodations are a part or (ii) is necessary for the preservation or maintenance of the accommodations.

[Subparagraph (3), corrected effective 7–1–47; 12 F. R. 5422, amended 13 F. R. 1867; effective 4–1–48]

(4) [Revoked]

(5) [Revoked]

(6) *Substantial increase in occupancy.* (i) There has been, since the date determining the maximum rent a substantial increase in the number of subtenants or other persons occupying the accomodations or a part thereof under a rental agreement with the tenant.

(ii) There has been, since the date determining the maximum rent a substantial increase in the number of occupants, in excess of normal occupancy for that class of accommodations on the maximum rent date.

(iii) There has been, since the date determining the maximum rent an increase in the number of occupants over the number contemplated by the rental agreement on the date determining the maximum rent, where the landlord on that date had a regular and definite practice of fixing different rents for the accommodations for different numbers of occupants.

(7) [Revoked]

(8) *Not rented during twelve weeks of year ending August 31, 1943.* The housing accommodations were not rented during at least twelve weeks of the year ending on August 31, 1943, and the maximum rent established under section 4 for such accommodations is substantially lower than the maximum rent generally prevailing in the defense-rental area for comparable housing accommodations.

(9) *Priority rating granted on September 1941 application form of Office of Production Management.* The maximum rent for the housing accommodations was originally established under section 4 (c) of the Rent Regulation for Housing issued pursuant to Emergency Price Control Act of 1942, as amended, the application for priority rating for the construction of the housing accommodations was filed on the September 1941 form in use by the Office of Production Management prior to the revision of this form on December 15, 1941, the landlord did not make, prior to the maximum rent date, or, if the accommodations were not rented on that date, prior to the first renting of the accommodations after that date, a written request to the appropriate agency of the United States to approve a higher rent than the rent initially approved because of increased costs of construction, and the maximum rent for the accommodations is substantially lower than the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, giving due consideration to general increases in costs of construction, if any, in the defense-rental area since the maximum rent date.

This paragraph (a) (9) shall apply only to housing accommodations which were first rented prior to March 29, 1944.

(10) *Not rented for one or two full months during the year ending on August 31, 1943.* The housing accommodations were not rented for one or two full months but less than twelve weeks during the year ending on August 31, 1943 and the maximum rent established under section 4 for such accommodations is substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations. The term "full month" means a period of consecutive days constituting a month.

(11) *Inequitable rents.* The rent on the date determining the maximum rent was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

[Subparagraph 11 amended by Amdt. 2, 12 F. R. 5698; effective 8–22–47; Amdt. 6, 13 F. R. 1867, effective 4–1–48]

(12) *Substantial hardship from increase in operating expenses.* The landlord is suffering a substantial hardship because his present net income for the property is less than his average annual net income for a prior base period due to an unavoidable increase in operating expenses. A petition for adjustment under this section must be filed on Form D–58 or D–58A, whichever is appropriate, provided by the Expediter, in accordance with instructions contained therein.

In proper cases increase in payroll and property taxes in effect on the date of the filing of the petition may be considered by the Expediter in determining whether substantial hardship exists.

For the purposes of this paragraph (a) (12), the term:

(i) "Property" includes one or more structures operated as a single unit or enterprise.

(ii) "Present net income" means the amount determined by subtracting the operating expenses for the current year from the present annual income.

(iii) "Operating expenses" means all property taxes and other operating costs, including depreciation, but excluding interest, necessary to the operation and maintenance of the property properly chargeable and allocated to the current year, or base period, as the case may be.

(iv) "Current year" means: (a) the most recent calendar or fiscal year used by the landlord; or (b) any 12 consecutive months ending not more than 90 days prior to the date of the filing of the petition; *Provided, however,* That if an allowance is requested for increase in payroll or property taxes not fully reflected in the "current year" as defined above, at least one calendar month must have passed between the end of the current year and the beginning of the month in which the petition is filed.

(v) "Present annual income" means the legal monthly rent for all units in the premises, both residential and commercial, on the date the petition is filed, multiplied by 12, together with any other income earned from the operation of the property during the current year. In any case where an uncontrolled rental unit is vacant, or is occupied in whole or in part rent free on such date, the full rental value shall be considered the legal rent. In any case where a unit was rented on a seasonal or varying rental basis during the year ending on the date the petition was filed, the average monthly rental during such year shall be considered the legal rent.

(vi) "Net income for the base period" means the amount determined by subtracting operating expenses for the base period from total income for the base period.

(vii) "Base period" means any period of two consecutive years prior to the current year but not beginning before January 1, 1939, which the Expediter finds to be representative of the property's normal operations: *Provided, however,* That where a representative period of two consecutive years is not available, the Expediter in his discretion may, for the purpose of this section, accept a representative period of not less than one year: *And provided further,* That where a previous adjustment was granted under this paragraph (a) (12) the base period shall be the current year used in obtaining that adjustment, except that the total income shall be appropriately adjusted in accordance with the previous adjustment.

(viii) "Total income for the base period" means total rental and other income earned from the property and the full rental value of any accommodations in the property occupied in whole or in part rent free.

In making adjustments under this paragraph (a) (12), the Expediter shall take into consideration any adjustments in maximum rents ordered after the date the petition is filed, as well as any leases which are in effect under section 204 (b) of the Housing and Rent Act of 1947, as amended.

No adjustment shall be granted under this paragraph (a) (12) with respect to housing accommodations regularly rented to employees of the landlord (so-called company housing).

In any case where a petition for adjustment under this paragraph (a) (12) was pending on June 30, 1948, the landlord may elect to have the petition processed under this section as it read prior to its amendment on July 10, 1948.

(13) *Rented to an employee of landlord.* The housing accommodations were rented to an employee of the landlord both on the date determining the maximum rent and at the time the order under this paragraph (a) (13) is issued, and after the date determining the maximum rent but prior to the effective date of regulation the landlord and tenant agreed, as the result of a continuous process of bargaining on interrelated matters, upon a wage increase and a rent increase, and the wage increase agreed upon has been put into effect.

(14) *Approval of higher rents for priority constructed housing.* The maximum rent was established under section 4 (c) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, and prior to final completion of all units included in a single priority application, but subsequent to the first renting of said accommodations, the landlord made a written request to the appropriate agency of the United States to approve a higher rent than the rent initially approved because of increased costs of construction, and a higher rent was approved by such agency.

(15) *Landlord operating at a loss.* The landlord is operating at a loss. A landlord shall be considered to be operating at a loss if his operating expenses for the premises for the current year exceed his total annual income for such premises. A petition for adjustment under this section must be filed on form D-99, provided by the Expediter, and in accordance with instructions contained therein.

For the purposes of this paragraph (a) (15), the term:

(i) "Operating expenses" includes all property taxes and other operating costs, including depreciation (but excluding interest) necessary to the operation and maintenance of the premises properly chargeable and allocated to the "current year."

(ii) "Total annual income" means "present annual scheduled rental income" plus any other income earned from the operation of the premises during the current year.

(iii) "Present annual scheduled rental income" means the legal monthly rent for all units in the premises, both residential and commercial, on the date the petition is filed, multiplied by 12. In any case where an uncontrolled rental unit is vacant, or is occupied in whole or in part rent free on such date, the full rental value shall be considered the legal rent, and in any case where a unit was rented on a seasonal or varying rental basis during the year ending on the date the petition was filed, the average monthly rent during such year shall be considered the legal rent.

(iv) "Current year" means any 12 consecutive months ending not more than 90 days prior to the date of the filing of the petition: *Provided, however,* That such current year must extend at least 6 months beyond the last date of the "current year" used in a previous petition on which an adjustment was granted due to operating loss.

(v) "Depreciation" means any one of the following:

The amount shown on the landlord's income tax return to the United States Bureau of Internal Revenue for the year including the maximum rent date; or,

Two and one-half percent of the value at which the building was assessed for tax purposes on the maximum rent date; or if it was not in existence on the maximum rent date, two and one-half percent of the first assessed value of the building; or,

The amount derived by multiplying the present annual scheduled rental income by the appropriate percentage as follows:

	Percent
For one or two-unit structures	21
For three or four-unit structures	16
For five or more unit structures	11

In making adjustments under this section the Expediter shall take into consideration any adjustments in maximum rents after the date the petition is filed, as well as any leases which are in effect under section 204 (b) of the Housing and Rent Act of 1947, as amended.

No adjustment shall be granted under this section with respect to housing accommodations regularly rented to em-

ployees of the landlord (so-called company housing).

(b) *Decreases in minimum services, furniture, furnishings, equipment, and space*— (1) *Requirements for petition and order, or report.* The landlord shall until the accommodations become vacant, maintain the minimum services, furniture, furnishings, and equipment as required under section 3, unless and until he has filed a petition to decrease the services, furniture, furnishings, or equipment and an order permitting a decrease has been entered thereon. When the accommodations become vacant, the landlord may on renting to a new tenant decrease the services, furniture, furnishings, or equipment below the minimum; within 10 days after so renting the landlord shall file a written report with the area rent director showing such decrease.

(2) *Adjustment in maximum rent for decreases on and after April 1, 1948.* The order on any petition under this paragraph (b) may require an appropriate adjustment in the maximum rent; and any maximum rent for which a report is required by this paragraph (b) may be decreased in accordance with the provisions of section 5 (c) (4).

If the landlord fails to file the report required by this paragraph (b) within the time specified, or decreases the services, furniture, furnishings, or equipment without an order authorizing such decrease where such order is required, the rent received by the landlord for any rental period commencing on or after such decrease or April 1, 1948, whichever is the later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order decreasing the maximum rent on account of such decrease in services, furniture, furnishings, or equipment. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to comply with this paragraph (b), the order may relieve the landlord of the duty to refund.

(3) *Adjustment in maximum rent for decreases prior to April 1, 1948.* Where a landlord decreased living space, services, furniture, furnishings, or equipment before April 1, 1948, while the accommodations were occupied, or decreased the living space, services, furniture, furnishings, or equipment during such period while the accommodations were vacant, and failed or fails to file a petition or a written report as was required by the provisions of this paragraph (b) prior to April 1, 1948, the rent received by the landlord for any rental period commencing on or after such decrease or July 1, 1947, whichever is later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order decreasing the maximum rent on account of such decrease in living space, services, furniture, furnishings, or equipment. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order, unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to comply with the provisions of this paragraph (b) in effect prior to April 1, 1948, the order may relieve the landlord of the duty to refund.

(c) *Grounds for decrease of maximum rent.* The Expediter at any time, on his own initiative or on application of the tenant, may order a decrease of the maximum rent otherwise allowable only on the grounds that:

(1) *Rent higher than rents generally prevailing.* The maximum rent for housing accommodations established under paragraphs (b), (d), or (f), of section 4 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, or under paragraph (c) or (e) of section 4 of this regulation is higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

Where the maximum rent for said housing accommodations was originally established under paragraphs (b), (d), or (f) of section 4 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, and the landlord failed, due to his fault, to file a timely proper registration statement, the rent received for any rental period commencing on or after July 1, 1947, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under this section. Such amount shall be refunded to the tenant within 30 days after the date of the issuance of the order, unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. The landlord shall have the duty to refund only if the order under this section is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

[Section 5 (c) (1) amended by Amdt. 6, 13 F. R. 1867, effective 4–1–48]

(2) *Substantial deterioration.* There has been a substantial deterioration of the housing accommodations other than ordinary wear and tear since September 1, 1943.

(3) *Substantial deterioration or change to unfurnished prior to September 1, 1943.* There was a substantial deterioration of the housing accommodations or a change from fully furnished to unfurnished during the year ending on August 31, 1943, and as a result the maximum rent for such accommodations is substantially higher than the maximum rent generally prevailing in the defense-rental area for comparable housing accommodations.

(4) *Decrease in space, services, furniture, furnishings or equipment.* There has been a decrease in the minimum services, furniture, furnishings or equipment required by section 3 since September 1, 1943, or a substantial decrease in the living space since June 30, 1947, but before April 1, 1948.

(5) *Special relationship between landlord and tenant or peculiar circumstances.* The rent during some portion of the year ending on August 31, 1943, or on the date subsequent thereto determining the maximum rent, was materially affected by the blood, personal, or other special relationship between the landlord and the tenant, or by peculiar circumstances, and as a result the maximum rent for the housing accommodations is substantially higher than the maximum rent generally prevailing in the defense-rental area for comparable housing accommodations.

(6) *Substantial decrease in occupancy.* There has been a substantial decrease in the number of subtenants or other occupants since an order under paragraph (a) (6) of this section or section 5 (a) (6), of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.

(7) *Modification or elimination of necessity for increase under section 5 (a) (12).* There has been a modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (12) of this section or section 5 (a) (12) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, since the order issued under either of said paragraphs.

(d) *Orders where facts are in dispute, in doubt, or not known.* If the maximum rent, or any other fact necessary to the determination of the maximum rent, or the living space, services, furniture, furnishings, or equipment required to be provided with the accommodations is in dispute between the landlord and the tenant, or is in doubt, or is not known, the Expediter at any time on his own initiative, may enter an order fixing the maximum rent by determining such fact, or determining the living space, services, furniture, furnishings, and equipment required to be provided with the accommodations which order shall be effective to establish the maximum rent from July 1, 1947, or the date of first renting after July 1, 1947, whichever is applicable. If the Expediter is unable to ascertain such fact, or facts, he shall enter the order on the basis of the rent which he finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date and, where appropriate, may determine the living space, services, furniture, furnishings, and equipment included in such rent.

[Paragraph d corrected, effective 7–1–47; 12 F. R. 5422]

(e) *Sale of underlying lease or other rental agreement.* Where housing accommodations or a predominant part thereof are occupied by one or more subtenants or other person occupying under a rental agreement with the tenant the tenant may petition the Expediter for leave to exercise any right he would have except for this regulation to sell his underlying lease or other rental agreement. The Expediter may grant such petition if he finds that the sale will not result, and that sales of such character would not be likely to result

in the circumvention or evasion of the act or this regulation. He may require that the sale be made on such terms as he deems necessary to prevent such circumvention or evasion.

(f) *Interim orders.* Where a petition is filed by a landlord on one of the grounds set out in paragraph (a) of this section or a proceeding is initiated by the Expediter under paragraph (d), the Expediter may enter an interim order increasing or fixing the maximum rent until further order subject to refund by the landlord to the tenant of any amount received in excess of the maximum rent established by final order in such proceeding. The receipt by the landlord of any rent authorized by such interim order shall constitute an agreement by the landlord with the tenant to refund to the tenant any amount received in excess of the maximum rent established by final order. The landlord shall make such refund either by repayment in cash or where the tenant remains in occupancy after the effective date of the final order, by deduction from the next installment of rent, or both.

(g) *Adjustments in case of options to buy.* No adjustment in the maximum rent shall be ordered on the ground that the landlord has, as a part of or in connection with a lease of housing accommodations, granted the tenant an option to buy the accommodations which are subject to the lease. Where a lease of housing accommodations was in force on the date determining the maximum rent, and the landlord had on that date as a part of or in connection with such lease, granted the tenant an option to buy the accommodations which are the subject of the lease, the Expediter may, on or after the termination of such lease, on his own initiative or on application of the tenant, enter an order fixing the maximum rent on the basis of the rent which the Expediter finds is generally prevailing in the defense-rental area for comparable housing accommodations not subject to an option to buy on the maximum rent date.

(h) *Election by landlord of seasonal maximum rents*—(1) *Landlord's election.* Where the total rent for housing accommodations for the eight months September 1942 through December 1942 and May 1943 through August 1943 was less than one-half of the total rent for the four months January 1943 through April 1943, the landlord may elect to have seasonal maximum rents applicable to the accommodations. A landlord so elects when he files a registration statement as provided in section 7 and expresses such election on the registration statement. After the landlord has elected seasonal maximum rents, the maximum rents provided by this paragraph shall apply to the housing accommodations until, on petition of the landlord, the Expediter consents to the landlord's request to revoke the election. Upon the granting of such request the maximum rents provided by section 4 shall apply to the accommodations.

(2) *Maximum rents for particular months.* Upon the landlord's election as provided in subparagraph (1), the maximum rent for the housing accommodations for a particular month, beginning with the first rental period after the landlord's election, shall be the rent for the accommodations for the corresponding month of the year ending on August 31, 1943: *Provided, however,* That, where the accommodations were not rented or were rented for less than 21 days during such corresponding month of the year ending on August 31, 1943, the maximum rent for the particular month shall be the rent on September 1, 1943, or, if the accommodations were not rented on that date, the first rent after that date.

(3) *Adjustments of maximum rents.* If the maximum rent for a particular month is established under subparagraph (2) by either the rent on September 1, 1943 or the first rent after that date, and is lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations for the corresponding month of the year ending on August 31, 1943, the Expediter on petition of the landlord, may order an increase in the maximum rent. If such maximum rent is higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations for the corresponding month of the year ending August 31, 1943, the Expediter on his own initiative or on application of the tenant, may order a decrease in the maximum rent.

(4) *Reporting first rent.* Where the housing accommodations were not rented on September 1, 1943 and the maximum rent for a particular month is established under subparagraph (2) by the first rent after that date, the landlord, if he has previously filed a registration statement for the accommodations, shall report the first rent after September 1, 1943, within 30 days after the accommodations are first rented after that date, on the form provided therefor. If the landlord has not previously filed a registration statement for the accommodations, he shall file such registration statement within 30 days after first renting, as provided in section 7. If the landlord fails to file the report or registration statement within the time specified, the rent received from the time of first renting on November 1, 1943, whichever is the later, shall be received subject to refund to the tenant of any amounts in excess of the maximum rents which may later be fixed by an order under subparagraph (3) decreasing maximum rents. In such case, the order under subparagraph (3) shall be effective to decrease the maximum rents from the time of such first renting or November 1, 1943, whichever is the later.

(i) *Public housing.* Where the maximum rent for any housing accommodations constructed by the United States or any agency thereof, or by a State of the United States or any of its political subdivisions, or any agency of the State, or any of its political subdivisions, and owned by any of the foregoing, is below the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, the owner of such accommodations may with the consent of the Expediter increase the maximum rents to such generally prevailing rent by re-registering such accommodations at such generally prevailing rent.

For the purpose of this section, any corporation formed under the laws of a State shall not be considered an agency of the United States.

(j) *Adjustment to correct determinations of maximum rent.* The Expediter at any time on petition of the landlord or on his own initiative may enter an order adjusting the maximum rent where the maximum rent in effect on June 30, 1947 was established by an order issued under the rent regulations issued pursuant to the Emergency Price Control Act of 1942, as amended, and such order was based upon an erroneous determination of fact or law.

[Paragraph (j) added by Am. 1, 12 F. R. 5456; effective 8-8-47]

SECTION 6

SEC. 6. *Inspection.* Any person who rents or offers for rent or acts as a broker or agent for the rental of housing accommodations and any tenant shall permit such inspection of the accommodations by the Expediter as he may, from time to time, require.

SECTION 7

SEC. 7. *Registration*—(a) *Registration statement.* Every landlord of controlled housing accommodations rented or offered for rent shall file in triplicate a written statement on the form provided therefor, to be known as a registration statement, unless a registration statement was heretofore filed in accordance with the provisions of section 7 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended. For housing accommodations rented prior to June 1, 1947, such registration statement shall be filed on or before July 10, 1947. For housing accommodations first rented on or after June 1, 1947, such registration statement shall be filed on or before July 30, 1947 or within 30 days after first renting, whichever is later. The statement shall identify each dwelling unit and specify the maximum rent provided by this regulation for such dwelling unit and shall contain such other information as the Expediter shall require. The original shall remain on file with the Expediter and he shall cause one copy to be delivered to the tenant and one copy, stamped to indicate that it is a correct copy of the original, to be returned to the landlord. In any subsequent change of tenancy the landlord shall exhibit to the new tenant his stamped copy of the registration statement and shall obtain the tenant's signature and the date thereof, on the back of such statement.

When the maximum rent is changed by order of the Expediter, the landlord shall deliver his stamped copy of the registration statement to the area rent office for appropriate action reflecting such change.

Where, since the filing of the registration statement for any controlled housing accommodations, there has been a change in the identity of the landlord, by transfer of title or otherwise, the new

landlord shall file a notice of such change on a form provided for that purpose, to be known as a notice of change in identity within 15 days after the change or July 1, 1947, whichever is later. If the new landlord indicates on the notice of change in identity that he has not obtained the landlord's copy of the original registration statement, the Expediter shall cause to be prepared and delivered to him a true copy of said original, which may be used to satisfy all requirements of this paragraph (a).

Any notice, order or other process or paper directed to the person named on the registration statement as the landlord at the address given thereon, or when a notice of change in identity has been filed, to the person named as landlord and at the address given in the most recent such notice, shall, under the circumstances prescribed in Revised Rent Procedural Regulation 1 constitute notice to the person who is then the landlord.

The provisions of this section shall be applicable to any housing accommodations whose maximum rent was determined under section 4 (d) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, on its sale by the owning agency, and within thirty days after the sale of such accommodations the new landlord shall file a registration statement as provided in subsection (a) of this section: *Provided, however,* That if the housing accommodations are sold to the United States or a state of the United States or any of its political subdivisions, or any agency of the foregoing, subsection (c) of this section shall continue to be applicable.

[Sec. 7 (a) corrected, effective 7-1-47; 12 F. R. 5422]

(b) *Receipt for amount paid.* No payment of rent need be made unless the landlord tenders a receipt for the amount to be paid.

(c) *Exceptions from registration requirements*—(1) *Housing owned and constructed by governmental agencies.* The provisions of this section shall not apply to housing accommodations whose maximum rent was originally determined under section 4 (d) of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended. The owner of such housing accommodations shall file a schedule or schedules, setting out the maximum rents for all such accommodations in the defense-rental area and containing such other information as the Expediter shall require. A copy of such schedule or schedules shall be posted by the owner in a place where it will be available for inspection by the tenants of such housing accommodations.

(2) *Housing subject to rent schedule of War or Navy Department.* The provisions of this section shall not apply to housing accommodations rented to either Army or Navy personnel, including any civilian employees of the War and Navy Departments, for which the rent is fixed by the national rent schedule of the War or Navy Department.

SECTION 8

SEC. 8. *Evasion*—(a) *General.* The maximum rents and other requirements provided in this regulation shall not be evaded, either directly or indirectly, in connection with the renting or leasing or the transfer of a lease of housing accommodations, by way of absolute or conditional sale, sale with purchase money or other form of mortgage, or sale with option to repurchase or by modification of the practices relating to payment of commissions or other charges or by modification of the services furnished with housing accommodations, or by tying agreement, or otherwise.

[Sec. 8 (a) corrected, 12 F. R. 5422, effective 7-1-47]

(b) *Purchase of property as condition of renting.* Specifically, but without limitation on the foregoing, no person shall require a tenant or prospective tenant to purchase or agree to purchase furniture or any other property as a condition of renting housing accommodations unless the prior written consent of the Expediter is obtained.

SECTION 9

SEC. 9. *Enforcement.* Persons violating any provision of this regulation are subject to civil enforcement actions and suits for treble damages as provided by the act.

SECTION 10

SEC. 10. *Procedure.* All registration statements, reports and notices provided for by this regulation shall be filed with the area rent office. All landlord's petitions and tenant's applications shall be filed with such office in accordance with Revised Rent Procedural Regulation 1.

SECTION 11

SEC. 11. [Revoked]

SECTION 12

SEC. 12. *Adoption of orders.* All orders issued pursuant to section 2 (c) and 2 (d) (6) of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, which were in effect on June 30, 1947, shall be deemed to continue in effect under this regulation unless and until revoked or modified by the Expediter.

EVICTION PROVISIONS OF THE ACT

EXCERPT FROM THE HOUSING AND RENT ACT OF 1947, AS AMENDED, EFFECTIVE APRIL 1, 1948

SEC. 209. (a) No action or proceeding to recover possession of any controlled housing accommodations with respect to which a maximum rent is in effect under this title shall be maintainable by any landlord against any tenant in any court, notwithstanding the fact that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled unless—

(1) Under the law of the State in which the action or proceeding is brought the tenant is (A) violating the obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this act or an obligation to surrender possession of such housing accommodations) or (B) is committing a nuisance in such housing accommodations or using such housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes;

(2) The landlord seeks in good faith to recover possession of such housing accommodations for his immediate and personal use and occupancy as housing accommodations, or for the immediate and personal use and occupancy as housing accommodations by a member or members of his immediate family, or, in the case of a landlord which is an organization exempt from taxation under section 101 (6) of the Internal Revenue Code, for the immediate and personal use and occupancy as housing accommodations of members of its staff: *Provided,* That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association no action or proceeding under this paragraph or paragraph (3) to recover possession of any such housing accommodations shall be maintained unless stock in the cooperative corporation or association has been purchased by persons who are then stockholder tenants in occupancy of at least 65 per centum of the dwelling units in the structure or premises and are entitled by reason of stock ownership to proprietary leases of dwelling units in the structure or premises; but this proviso shall not apply where such corporation or association acquires or leases such structure or premises after the effective date of the Housing and Rent Act of 1948 pursuant to a contract entered into prior to such date;

(3) The landlord has in good faith contracted in writing to sell the housing accommodations to a purchaser for the immediate and personal use and occupancy as housing accommodations by such purchaser;

(4) The landlord seeks in good faith to recover possession of such housing accommodations (A) for the immediate purpose of substantially altering or remodeling the same for continued use as housing accommodations, or for the immediate purpose of conversion into additional housing accommodations, and the altering, remodeling, or conversion cannot practically be done with the tenant in occupancy, and the landlord has obtained such approval as may be required by Federal, State, or local law for the alterations, remodeling, or any conversion planned, or (B) for the immediate purpose of demolishing such housing accommodations;

(5) The landlord seeks in good faith to recover possession of such housing accommodations for the immediate purpose of withdrawing such housing accommodations from the rental market, and such housing accommodations shall not thereafter be offered for rent as such; or

(6) The housing accommodations have been acquired by a State or any political subdivision thereof for the purpose of making a public improvement and are rented temporarily pending the construction of such improvement.

(b) Notwithstanding any other provision of this Act, the United States or any State or local public agency may maintain an action or proceeding to recover possession of any housing accommodations operated by it where such action or proceeding is authorized by the statute or regulations under which such accommodations are administered: *Provided,* That nothing in this subsection shall be deemed to authorize the maintenance of any such action or proceeding upon the ground that the income of the occupants of the housing accommodations exceeds the allowable maximum unless such income, less any amounts paid to such occupants by the Veterans' Administration on account of service-connected disability or disabilities, exceeds the allowable maximum.

(c) No tenant shall be obliged to surrender possession of any housing accommodations pursuant to the provisions of paragraph (2), (3), (4), (5), or (6) of subsection (a) until the expiration of at least sixty days after written notice from the landlord that he desires to recover possession of such housing accommodations for one of the purposes specified in such paragraphs.

Effective date. This Controlled Housing Rent Regulation for the Miami Defense-Rental Area shall become effective

July 1, 1947. [Originally issued June 30, 1947.]

[Effective dates of amendments are shown in notes following the parts affected. The changes made by Amdt. 7, issued July 1, 1948, and effective July 10, 1948, are indicated by underscoring.]

NOTE: All reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 48-6225; Filed, July 9, 1948; 11:22 a. m.]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

CONTROLLED HOUSING RENT REGULATION FOR ATLANTIC COUNTY DEFENSE-RENTAL AREA,[1] INCLUDING AMENDMENTS 1–6

§ 825.4 *Controlled Housing Rent Regulation for Atlantic County Defense-Rental Area.* The Controlled Housing Rent Regulation for Atlantic County Defense-Rental Area, issued pursuant to the Housing and Rent Act of 1947, Public Law 129, 80th Congress, as amended, is as follows:

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Section 1. Definitions and scope of this regulation:
- (a) Housing and defense-rental areas to which this regulation applies.
- (b) Decontrolled and exempted housing to which this regulation does not apply:
  - (1) Exempted housing to which this regulation does not apply:
    - (i) Farming tenants.
    - (ii) Service employees.
    - (iii) Accommodations subject to the Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments.
    - (iv) Structures subject to underlying leases.
    - (v) Rented to National Housing Agency.
    - (vi) Resort Housing.
    - (vii) Subletting.
  - (2) Decontrolled housing to which this regulation does not apply:
    - (i) Accommodations in hotels, motor courts, trailers and trailer spaces, and tourist homes.
    - (ii) Accommodations created by new construction or conversion.
    - (iii) Accommodations not rented for two-year period.
    - (iv) Nonhousekeeping furnished accommodations.
    - (v) Leased accommodations.
- (c) Effect of this regulation on leases and other rental agreements.
- (d) Waiver of benefit void.

Section 2. Prohibition against higher than maximum rents:
- (a) General prohibition.
- (b) Lease with option to buy.
- (c) Security deposits:
  - (1) General prohibition.
  - (2) Maximum rent established under section (4) (a) or 4 (b) of the rent regulation for housing, issued pursuant to the Emergency Price Control Act of 1942, as amended.
  - (3) Maximum rent established under section 4 (c) or 4 (d) of the rent regulation for housing, issued pursuant to the Emergency Price Control Act of 1942, as amended.
  - (4) Maximum rent established under section 4 (e) or (i) of the rent regulation for housing, issued pursuant to the Emergency Price Control Act of 1942, as amended.
  - (5) Maximum rent established under section 4 (f) of the rent regulation for housing, issued pursuant to the Emergency Price Control Act of 1942, as amended.
  - (6) Maximum rent established under section 4 (g) or 4 (h) of the rent regulation for housing, issued pursuant to the Emergency Price Control Act of 1942, as amended.
  - (7) Deposits to secure the return of certain movable articles.
  - (8) Deposits on certain leased furnished accommodations.
  - (9) Deposits based on prior rental practices.

Section 3. Minimum space, services, furniture, furnishings, and equipment.

Section 4. Maximum rents:
- (a) Maximum rents in effect on June 30, 1947.
- (b) Maximum rent on termination of lease.
- (c) First rent after June 30, 1947, (see also section 4 (e)).
- (d) Housing subject to rent schedule of War or Navy Department.
- (e) Increase or decrease in space on or after April 1, 1948.

Section 5. Adjustments and other determinations:
- (a) Grounds for increase of maximum rent:
  - (1) Major capital improvement after effective date.
  - (2) Change prior to maximum rent date.
  - (3) Substantial increase in living space, services, furniture, furnishings, or equipment.
  - (4) [Revoked.]
  - (5) [Revoked.]
  - (6) Varying rents.
  - (7) Seasonal rents.
  - (8) Substantial increase in occupancy.
  - (9) Revoked.
  - 10) Priority rating granted on September 1941 application form of Office of Production Management.
  - (11) Inequitable rents.
  - (12) Substantial hardship from increase in operating costs.
  - (13) Rented to an employee of landlord.
  - (14) Changes from year round to seasonal renting.
  - (15) Approval of higher rents for priority constructed housing.
  - (16) Landlord operating at a loss.
- (b) Decreases in minimum services, furniture, furnishings, equipment, and space.
  - (1) Requirements for petition and order, or report.
  - (2) Adjustment in maximum rent for decreases on and after April 1, 1948.
  - (3) Adjustment in maximum rent for decreases prior to April 1, 1948.
- (c) Grounds for decrease of maximum rent:
  - (1) Rent higher than rents generally prevailing.
  - (2) Substantial deterioration.
  - (3) Decrease in space, services, furniture, furnishings or equipment.
  - (4) Special relationship between landlord and tenant or peculiar circumstances.
  - (5) Varying rents.
  - (6) Seasonal rents.
  - (7) Substantial decrease in occupancy.
  - (8) Modification or elimination of necessity for increase under section 5 (a) (12).
- (d) Orders where facts are in dispute, in doubt, or not known.
- (e) Sale or underlying lease or other rental agreement.
- (f) Interim orders.
- (g) Adjustments in case of options to buy.
- (h) Public housing.
- (i) Adjustment to correct determinations of maximum rent.

Section 6. Inspection.

Section 7. Registration:
- (a) Registration statement.
- (b) Receipt for amount paid.
- (c) Exceptions from registration requirements.
  - (1) Housing owned and constructed by governmental agencies.
  - (2) Housing subject to rent schedule of War or Navy Department.

Section 8. Evasion:
- (a) General.
- (b) Purchase of property as condition of renting.

Section 9. Enforcement.

Section 10. Procedure.

Section 11. [Revoked.]

Section 12. Adoption of orders.

Eviction provisions of the act.

SECTION 1

SECTION 1. *Definitions and scope of this regulation.* "Act" means the Housing and Rent Act of 1947, as amended.

"Expediter" means the Housing Expediter or the Rent Director or such other person or persons as the Expediter may appoint or designate to carry out any of the duties delegated to him by the act.

"Rent Director" means the person designated by the Expediter as director of the Defense-Rental Area or such person or persons as may be designated to carry out any of the duties delegated to the Rent Director by the Expediter.

"Local Advisory Board" means a board created in a defense-rental area, or a part thereof, the members of which are appointed by the Housing Expediter upon recommendations made by the Governor, or as otherwise required by section 204 (e) of the Housing and Rent Act of 1947, as amended.

[Above paragraph added by Amendment 2, 12 F. R. 5697–8; effective 8–23–47, amended by Amendment 5, 13 F. R. 1870; effective 4–1–48]

"Area rent office" means the office of the Rent Director in the Defense-Rental Area.

"Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

"Housing accommodations" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes, together with all privileges, services, furnishings, furniture, equipment, facilities and improvements connected with the use or occupancy of such property.

"Controlled housing accommodations" means any housing accommodation in

[1] 12 F. R. 4381, 5422, 5456, 5697; 13 F. R. 231, 442, 1870.

the Defense-Rental Area which is not specifically exempted from control or decontrolled under this regulation.

"Services" includes repairs, decorating and maintenance, the furnishing of light, heat, hot and cold water, telephone, elevator service, window shades, and storage, kitchen, bath, and laundry facilities and privileges, maid service, linen service, janitor service, and removal of refuse and any other privilege or facility connected with the use or occupancy of housing accommodations.

"Landlord" includes an owner, lessor, sublessor, assignee or other person receiving or entitled to receive rent for the use or occupancy of any housing accommodations, or an agent of any of the foregoing.

"Tenant" includes a subtenant, lessee, sublessee, or other person entitled to the possession or to the use or occupancy of any housing accommodations.

"Rent" means the consideration, including any bonus, benefit, or gratuity, demanded or received for or in connection with the use or occupancy of housing accommodations or the transfer of a lease of such accommodations.

"Hotel" means any establishment which is commonly known as a hotel in the community in which it is located, and which provides customary hotel services.

[Above paragraph amended by Amendment 1, 12 F. R. 5456; effective 8–12–47, amended by Amendment 5, 13 F. R. 1870, effective 4–1–48]

"Motor court" means an establishment renting rooms, cottages or cabins; supplying parking or storage facilities for motor vehicles in connection with such renting and other services and facilities customarily supplied by such establishments; and commonly known as a motor, auto or tourist court in the community.

"Tourist home" means a rooming house which caters primarily to transient guests and is known as a tourist home in the community.

"Rooming house" means, in addition to its customary usage, a building or portion of a building other than a hotel or motor court in which a furnished room or rooms not constituting an apartment are rented on a short term basis of daily, weekly or monthly occupancy to more than two paying tenants, not members of the landlord's immediate family. The term includes boarding houses, dormitories, trailers not a part of a motor court, residence clubs and all other establishments of a similar nature, including tourist homes.

[Above paragraph corrected 12 F. R. 5422; effective 8–9–47]

"Maximum rent date" means September 1, 1943, the maximum rent date for the Atlantic County Defense-Rental Area, as established under the Emergency Price Control Act of 1942, as amended.

"Date determining maximum rent" means the date as of which a maximum rent was determined for any particular housing accommodation in accordance with the Emergency Price Control Act of 1942, as amended, and the regulations issued thereunder, or under section 4 (b), (c), or (e) of this regulation, whichever is applicable.

"Effective date of regulation" means June 1, 1944. The term Rent Regulation for Housing, as hereinafter used, means the Rent Regulation for Housing in Atlantic County Defense-Rental Area issued pursuant to the Emergency Price Control Act of 1942, as amended.

(a) *Housing and defense-rental area to which this regulation applies.* This regulation applies to all housing accommodations in the Atlantic County Defense-Rental Area, consisting of the County of Atlantic, New Jersey, except as provided in paragraph (b) of this section. The Atlantic County Defense-Rental Area is referred to hereinafter in this regulation as the "defense-rental area."

(b) *Decontrolled and exempted housing to which this regulation does not apply*—(1) *Exempted housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Farming tenants.* Housing accommodations situated on a farm and occupied by a tenant who is engaged for a substantial portion of his time in farming operations thereon.

(ii) *Service employees.* Dwelling space occupied by domestic servants, caretakers, managers, or other employees to whom the space is provided as part or all of their compensation and who are employed for the purpose of rendering services in connection with the premises of which the dwelling space is a part.

(iii) *Accommodations subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments.* Rooms or other housing accommodations subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments.

(iv) *Structures subject to underlying leases.* (*a*) Entire structures or premises wherein more than 25 rooms are rented or offered for rent by any lessee, sublessee or other tenant of such entire structure or premises, except as provided in (*c*) below.

(*b*) Entire structures or premises where 25 or less rooms are rented or offered for rent by any lessee, sublessee, or other tenant of such entire structures or premises: *Provided,* That all of the housing accommodations in such structures or premises are exempt or decontrolled under the provisions of this section and are not subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments.

(*c*) This regulation does apply to an underlying lease of any entire structure or premises which was entered into after the maximum rent date and prior to the effective date of the regulation while such lease remains in force with no power in the tenant to cancel or otherwise terminate the lease, unless all of the housing accommodations in such structure are exempt or decontrolled under the provisions of this section and are not subject to the Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments.

(v) *Rented to National Housing Agency.* Housing accommodations rented to the United States acting by the National Housing Agency: *Provided, however,* That this regulation does apply to a sublease or other subrenting of such accommodations or any part thereof.

(vi) *Resort housing; summer resort housing.* Housing accommodations located in a resort community and customarily rented or occupied on a seasonal basis prior to October 1, 1945, which were not rented during any portion of the period beginning on November 1, 1943, and ending on February 29, 1944.

This exemption shall be effective only from June 1 to September 30, inclusive.

(vii) *Subletting.* The subletting or other subrenting of housing accommodations for a term beginning on or after June 1, 1948 and ending on or before September 30, 1948 by a tenant who remained in occupancy and used the accommodations as his home from January 1, 1948 to the date of subletting or other subrenting.

(2) *Decontrolled housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Accommodations in hotels, motor courts, trailers and trailer spaces, and tourist homes.* (*a*) Housing accommodations in a hotel (see definition of hotel in section 1) which on June 30, 1947, were occupied by persons to whom were provided customary hotel services such as maid service, furnishing and laundering of linen, telephone and secretarial or desk service, use and upkeep of furniture and fixtures, and bellboy services (not necessarily all the types of services named need be provided in all cases, as long as enough are provided to constitute customary hotel services usually supplied in establishments commonly known as hotels in the community where they are located); (*b*) housing accommodations in establishments which were motor courts on June 30, 1947; (*c*) housing accommodations located in trailers and ground space rented for trailers; and (*d*) housing accommodations in any tourist home serving transient guests exclusively on June 30, 1947.

Reporting requirements. Every landlord of housing accommodations referred to in paragraphs (*a*) and (*d*) above, who has not filed an application for decontrol prior to April 1, 1948, shall on or before June 1, 1948 file in the area rent office a report of decontrol of such accommodations on a form provided by the Expediter.

(ii) *Accommodations created by new construction or conversion.* (*a*) Housing accommodations the construction of which was completed on or after February 1, 1947, or which are additional housing accommodations created by conversion on or after February 1, 1947: *Provided, however,* That maximum rents established under the Veterans' Emergency Housing Act for priority constructed housing accommodations completed on or after February 1, 1947, shall continue in full force and effect if such accommodations are being rented to veterans of World War II or their immediate families who, on June 30, 1947, either (1)

occupied such housing accommodations, or (2) had a right to occupy such housing accommodations at any time on or after July 1, 1947, under any agreement whether written or oral; (b) housing accommodations the construction of which was completed on or after February 1, 1945, and prior to February 1, 1947, and which between the date of completion and June 30, 1947, both dates inclusive, at no time were rented (other than to members of the immediate family of the landlord) as housing accommodations.

For the purposes of this paragraph (ii) the time at which construction of housing accommodations shall be deemed to be "completed" shall be the date on which the dwelling is first suitable for occupancy and all utility and service connections have been made, except for the installation of such items and the completion of such decoration work as, in accordance with the custom of the community, are left for installation by, or to the choice of, the purchaser or the tenant; and the word "conversion" means (1) a change in a structure from a nonhousing use or (2) a structural change in a residential unit or units involving substantial alterations or remodeling and resulting in the creation of additional housing accommodations.

(iii) *Accommodations not rented for two-year period.* Housing accommodations which for any successive 24-month period during the period February 1, 1945, to March 30, 1948, both dates inclusive, were not rented (other than to members of the immediate family of the landlord) as housing accommodations.

(iv) *Non-housekeeping furnished accommodations.* Non-housekeeping, furnished housing accommodations, located within a single dwelling unit not used as a rooming or boarding house, but only if no more than two paying tenants, not members of the landlord's immediate family live in such dwelling unit, and the remaining portion of such dwelling unit is occupied by the landlord or his immediate family. (See definition of rooming house in section 1.)

(v) *Leased accommodations.* (*a*) Except as hereinafter provided in this paragraph (v), housing accommodations concerning which a landlord and tenant on or before December 31, 1947, voluntarily entered into a valid written lease in good faith and such lease took effect on or after July 2, 1947, but before January 1, 1948, and such lease by its terms expires on or after December 31, 1948, and provided for a rent not in excess of 15 percent above the maximum rent in effect prior to the effective date of such lease and a true and duly executed copy of such lease was filed with the Housing Expediter within 15 days after the date of execution thereof.

(*b*) Except as hereinafter provided in this paragraph (v), housing accommodations concerning which a landlord and tenant (including landlords and tenants who have executed leases in accordance with paragraph (*a*) above and including any new tenant) on or before December 31, 1948, voluntarily enter into a valid written lease in good faith for a rent not in excess of 15 percent over the maximum rent which in the absence of a lease would be in effect with respect thereto on March 30, 1948, plus or minus the amount of any adjustment under section 5 of this regulation, and such lease takes effect on or after April 1, 1948, and expires on or after December 31, 1949, and a true and duly executed copy of such lease is filed with the Expediter within 15 days after the date of execution of such lease.

Exceptions to (a) and (b) above. All housing accommodations referred to in paragraph (*a*) shall be subject to this regulation unless the lease provided for the same living space, services, furniture, furnishings and equipment with the housing accommodations as were required to be provided by this regulation prior to the effective date of the lease.

All housing accommodations referred to in paragraph (*b*) shall be subject to this regulation unless the lease provides for the same living space, services, furniture, furnishings, and equipment with the housing accommodations which in the absence of a lease would be required to be provided by this regulation on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

All housing accommodations referred to in paragraphs (*a*) and (*b*) shall be subject to this regulation if the lease is terminated or expires on or after April 1, 1948, and before March 31, 1949, unless a subsequent lease entered into under the provisions of paragraph (*b*) above is in force.

Reporting requirements. A landlord shall file Form D–92—Registration of Lease—in triplicate with the true and duly executed copy of the lease required to be filed in paragraph (*b*) above.

A landlord shall file a report in the Area Rent Office on a form provided by the Expediter, of any termination of a lease referred to in paragraphs (*a*) or (*b*) above prior to the expiration date of the lease. Such report shall be filed within fifteen days after such termination or fifteen days after April 1, 1948, whichever is later.

[Section 1 (b) amended by Amendment 5, 13 F. R. 1870, effective 4–1–48]

(c) *Effect of this regulation on leases and other rental agreements.* The provisions of any lease or other rental agreement shall remain in force pursuant to the terms thereof, except insofar as those provisions are inconsistent with this regulation.

(d) *Waiver of benefit void.* An agreement by the tenant to waive the benefit of any provision of this regulation is void. A tenant shall not be entitled by reason of this regulation to refuse to pay or to recover any portion of any rents due or paid for use or occupancy prior to the effective date of this regulation.

SECTION 2

SEC. 2. *Prohibition against higher than maximum rents*—(a) *General prohibition.* Regardless of any contract, agreement, lease, or other obligation heretofore or hereafter entered into, no person shall offer, demand or receive any rent for or in connection with the use or occupancy on and after the effective date of this regulation of any housing accommodations within the defense-rental area higher than the maximum rents provided by this regulation; and no person shall offer, solicit, attempt, or agree to do any of the foregoing. A reduction in the services, furniture, furnishings or equipment required under section 3 of this regulation shall constitute an acceptance of rent higher than the maximum rent. Lower rents than those provided by this regulation may be demanded or received.

[Section 2 (a) amended by Amendment 5, 13 F. R. 1870, effective 4–1–48]

(b) *Lease with option to buy.* Where a lease of housing accommodations was entered into prior to the effective date of regulation and the tenant as a part of such lease or in connection therewith was granted an option to buy the housing accommodations which were the subject of the lease, with the further provision that some or all of the payments made under the lease should be credited toward the purchase price in the event such option is exercised, the landlord, notwithstanding any other provision of this regulation may be authorized to receive payment made by the tenant in accordance with the provisions of such lease and in excess of the maximum rent for such housing accommodations. Such authority may be secured only by a written request of the tenant to the area rent office and shall be granted by order of the Expediter if he finds that such payments in excess of the maximum rent will not be inconsistent with the purposes of the act or this regulation and would not be likely to result in the circumvention or evasion thereof. After entry of such order the landlord shall be authorized to demand, receive and retain, and the tenant shall be authorized to offer payments provided by the lease in excess of the maximum rent for periods commencing on or after the effective date of this regulation. After entry of such order, the provisions of the lease may be enforced in accordance with law, notwithstanding any other provision of this regulation. Nothing in this paragraph shall be construed to authorize the landlord to demand or receive, or the tenant to offer payments in excess of the maximum rent in the absence of an order of the Expediter as herein provided. Where a lease of housing accommodations has been entered into on or after the effective date of regulation, and the tenant as a part of such lease or in connection therewith has been granted an option to buy the housing accommodations which are the subject of the lease, the landlord, prior to the exercise by the tenant of the option to buy, shall not demand or receive, nor shall the tenant offer payments in excess of the maximum rent, whether or not such lease allocates

some portion or portions of the periodic payments therein provided as payments on or for the option to buy.

(c) *Security deposits*—(1) *General prohibition.* Regardless of any contract, agreement, lease or other obligation heretofore or hereafter entered into, no person shall demand, receive or retain a security deposit for or in connection with the use or occupancy of housing accommodations within the defense-rental area except as provided in this paragraph (c). The term "security deposit", in addition to its customary meaning, includes any prepayment of rent except payment in advance of the next periodic installment of rent for a period no longer than one month but shall not include rent voluntarily prepaid subsequent to possession by a tenant under a written lease for his own convenience.

(2) *Maximum rent established under section 4 (a) or (b) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (a) or (b), no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on the date determining the maximum rent established under said section 4 (a) or (b).

(3) *Maximum rent established under section 4 (c) or (d) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (c) or (d), no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement under which the accommodations were first rented or in any order heretofore or hereafter entered. Where such lease or other rental agreement provided for a security deposit, the Expediter at any time, on his own initiative or on application of the tenant, may order a decrease in the amount of such deposit or may order its elimination.

(4) *Maximum rent established under section 4 (e) or (i) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (e) or (i), no security deposit shall be demanded or received.

(5) *Maximum rent established under section 4 (f) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (f), no security deposit shall be demanded, received, or retained.

(6) *Maximum rent established under section 4 (g) or (h) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (g) or (h), no security deposit shall be demanded or received, except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on September 1, 1944. Where such accommodations were or are first rented after September 1, 1944, no security deposit shall be demanded, received, or retained.

(7) *Deposits to secure the return of certain movable articles.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may petition for an order authorizing the demand and receipt of a deposit to secure the return of movable articles. If the landlord shows that he has a special need therefor, the Expediter may enter an order authorizing a security deposit, not in excess of ten dollars, to secure the return of the movable articles specified in the order.

(8) *Deposits on certain leased furnished accommodations.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may demand, receive, and retain as a security deposit, the rent for the last rental period of the term, not exceeding one month, where a newly constructed housing accommodation is, or was, rented and occupied for the first time after March 25, 1947, fully furnished, under a written lease, or where such newly constructed housing accommodation was rented and occupied for the first time on or prior to March 25, 1947, fully furnished, under a written lease, and was constructed with a priority rating or under specific authorization by the United States or any agency thereof for which the rent was approved by the United States or any agency thereof and the entire project covered by the single priority application of which the housing accommodation was a part was not completed until after March 25, 1947.

[Subparagraph (8) amended by Amendment 1, 12 F. R. 5456-7; effective 8-12-47]

(9) *Deposits based on prior rental practices.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may demand, receive, and retain, in the case of any rental agreement entered into on or after April 1, 1948, a security deposit, if said deposit does not exceed the rent for one month in addition to the otherwise authorized collection of rent in advance, if the demand, collection or retention of such a security deposit was an accepted rental practice, prior to January 30, 1942, in the area in which the premises are located, or was customarily required before that date by the same landlord in the renting of the particular housing accommodations involved, and if the tenant is allowed, under the terms of the rental agreement, to occupy the premises for the period covered by the security deposit without further payment of rent. Each area rent director shall determine the rental practice or practices, prior to January 30, 1942, with reference to such security deposits in the particular area or any portion thereof.

[Sub-paragraph 9 added by amdt. 5, 13 F. R. 1870, effective 4-1-48]

SECTION 3

SEC. 3. *Minimum space, services, furniture, furnishings, and equipment.* Except as set forth in section 4 (e) or 5 (b) or as otherwise provided in this section, every landlord shall, as a minimum, provide with housing accommodations the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation on March 31, 1948.

Where the maximum rent is determined under section 4 (b) (1) of this regulation, the landlord shall, as a minimum, provide with the housing accommodations the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation prior to the effective date of the lease.

Where the maximum rent is determined under section 4 (b) (2) of this regulation, the landlord shall, as a minimum, provide with the housing accommodations the same living space, services, furniture, furnishings, and equipment as he would be required to provide by this regulation in the absence of a lease on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

[Section 3 amended by Amdt. 5, 13 F. R. 1870; effective 4-1-48]

SECTION 4

SEC. 4. *Maximum rents*—(a) *Maximum rents in effect on June 30, 1947.* The maximum rent for any housing accommodation under this regulation (unless and until changed by the Expediter as provided in Section 5), shall be the maximum rent which was in effect on June 30, 1947, as established under the Emergency Price Control Act of 1942, as amended, and the applicable rent regulation issued thereunder, except as otherwise provided in this section.

(b) *Maximum rent on termination of lease.* (1) For housing accommodations concerning which a lease as described in section 1 (b) (2) (v) (a) was in effect, but is terminated on or after April 1, 1948 but before March 31, 1949, the maximum rent shall be the rent provided by the lease or the maximum rent which would have been in effect for said accommodations on March 30, 1948, in the absence of such lease, whichever is higher.

(2) For housing accommodations concerning which a lease as described in section 1 (b) (2) (v) (b) was in effect and is terminated before March 31, 1949, the maximum rent shall be the rent provided by the lease.

[Section 4 (b) amended by Amdt. 5, 13 F. R. 1870, effective 4-1-48]

(c) *First rent after June 30, 1947 (see also section 4 (e)).* For controlled hous-

ing accommodations first rented on or after July 1, 1947, the maximum rent shall be the first rent for such accommodations. Within 30 days after so renting, the landlord shall register the accommodations as provided in section 7. The Expediter may order a decrease in the Maximum rent as provided in sections 5 (c) (1) and 5 (c) (6).

[Above paragraph amended by Amdt. 5, 13 F. R. 1870, effective 4–1–48]

If the landlord fails to file a proper registration statement within the time specified, the rent received for any rental period commencing on or after the date of the first renting shall be received, subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under section 5 (c) (1) and 5 (c) (6). Such amount shall be refunded to the tenant within 30 days after the date of the issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to file a proper registration statement within the time specified, the order under section 5 (c) may relieve the landlord of the duty to refund. The landlord shall have the duty to refund only if the order under section 5 (c) is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

(d) *Housing subject to schedule of War or Navy Department.* Where housing accommodations on June 30, 1947 are rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments for which the rent is fixed by the national rent schedule of the War and Navy Departments, and on or after July 1, 1947, the rents on such housing accommodations cease to be governed by the national rent schedule of the War or Navy Departments, the maximum rents shall be those which would have been applicable under the appropriate subsection of section 4 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, or shall be established under section 4 (c) of this regulation.

(e) *Increase or decrease in space on or after April 1, 1948.* Where housing accommodations are changed on or after April 1, 1948, by a substantial increase or decrease in dwelling space, the maximum rent for the housing accommodations resulting from such change shall be the first rent charged after such change: *Provided, however,* That the Expediter at any time may order a decrease in the maximum rent as provided in sections 5 (c) (1) and 5 (c) (6): *And provided further,* That the rent received for any rental period commencing on or after the date of the first renting shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under sections 5 (c) (1) or 5 (c) (6). Such amount shall be refunded within 30 days after the date of the issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. The order entered by the Expediter shall fix the maximum rent retroactively to the date of first renting after such change. The landlord shall, within 30 days after renting said accommodations, file a proper registration statement in the area office in accordance with the provisions of section 7 herein. The landlord shall have the duty to refund only if the order under this section is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

[Paragraph (e) added by Amdt. 5, 13 F. R. 1870, effective 4–1–48]

SECTION 5

SEC. 5. *Adjustments and other determinations.*

This section sets forth specific standards for the adjustment of maximum rents. In apply these standards and entering orders increasing or decreasing maximum rents, the Expediter shall give full consideration to the correction of inequities in maximum rents and the purposes and provisions of the Housing and Rent Act of 1947, as amended.

In the circumstances enumerated in this section, the Expediter may issue an order changing the maximum rents otherwise allowable or the minimum space, services, furniture, furnishings or equipment required, except in cases where an order increasing or decreasing the maximum rent on the same facts and grounds was entered under the rent regulations issued pursuant to the Emergency Price Control Act of 1942, as amended.

In making adjustments under this section, recommendations of local advisory boards shall be approved within 30 days if appropriately substantiated and in accordance with applicable law and regulations. If any recommendation cannot be acted upon within 30 days the board shall be notified in writing of the reasons therefor.

In those cases involving a major capital improvement, an increase or decrease in the furniture, furnishings or equipment, an increase or decrease of services, an increase or decrease in the number of subtenants or other occupants, or a deterioration, the adjustment in the maximum rent shall be the amount the Expediter finds would have been on the maximum rent date, the difference in the rental value of the housing accommodations by reason of such change: *Provided, however,* That no adjustment shall be ordered where it appears that the rent on the date determining the maximum rent was fixed in contemplation of and so as to reflect such change.

In all other cases except those under paragraphs (a) (7), (a) (12), (a) (13), (a) (14), (a) (15), (c) (6), and (c) (8) of this section, the adjustment shall be on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date: *Provided,* That in cases under paragraphs (a) (6) and (c) (5) of this section, the adjustment may be on the basis of the rental agreement in force on the date determining the maximum rent: *Provided, further,* That in cases under sections 5 (a) (3) 5 (c) (1) and 5 (c) (3) involving an increase or decrease in living space, the adjustment shall be either the amount the Expediter finds would have been on the maximum rent date the difference in the rental value of the housing accommodations by reason of such change or on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date, whichever is higher: *And provided, further,* That in cases under section 5 (i) the adjustment shall be in the amount necessary to correct the error.

In cases involving construction, appropriate allowance shall be made for general increases in costs of construction in the defense-rental area since 1939.

In cases under paragraphs (a) (7), (a) (14), and (c) (6) of this section, the adjustment shall be on the basis of the rents which the Expediter finds were generally prevailing in the defense-rental area for comparable housing accommodations during the year ending on the maximum rent date.

In cases under section 5 (a) (3) appropriate allowance shall be made for general increases in costs of services, furniture, furnishings, or equipment in the defense-rental area since the maximum rent date.

In cases under paragraph (a) (12) of this section, the adjustment in the maximum rent shall be in the amount necessary to relieve the substantial hardship.

In cases under paragraph (c) (8) of this section, the adjustment in the maximum rent shall be in the amount the Expediter finds warranted by the modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (12) of this section: *Provided,* That no decrease shall be ordered in an amount greater than the adjustment ordered under paragraph (a) (12) of this section.

In cases under paragraph (a) (13) of this section the adjustment shall be in the amount of the difference between the rent on the date determining the maximum rent and the rent agreed upon by the landlord and tenant as a result of a continuous process of bargaining on interrelated matters.

In cases under paragraph (a) (15) of this section the adjustment shall be the amount of the rent increase granted by the appropriate agency of the United States.

In cases under paragraph (a) (16) of this section, the adjustment shall be in the amount necessary to relieve the controlled rental units of their share of the operating loss.

In all cases under paragraph (a) of this section the adjustment in the maximum rent shall be effective as of the date of the filing of the landlord's petition.

[Unnumbered paragraphs of section 5 amended by Amdt. 5, 13 F. R. 1870, effective 4–1–48]

(a) *Grounds for increase of maximum rent.* Any landlord may file a petition for adjustment to increase the

maximum rent otherwise allowable only on the grounds that:

(1) *Major capital improvement after effective date.* There has been on or after the effective date of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, a substantial change in the housing accommodations by a major capital improvement as distinguished from ordinary repair, replacement and maintenance.

[Subparagraph (1) corrected 12 F. R. 5422; effective 8-9-47]

(2) *Change prior to maximum rent date.* There was, on or prior to the maximum rent date, a substantial change in the housing accommodations by a major capital improvement, as distinguished from ordinary repair, replacement, and maintenance or a substantial increase in the services, furniture, furnishings, or equipment, and the rent on the maximum rent date was fixed by a lease or other rental agreement which was in force at the time of such change or increase.

(3) *Substantial increase in living space services, furniture, furnishings or equipment.* There has been a substantial increase in the services, furniture, furnishings or equipment provided with the housing accommodations since the date or order determining its maximum rent or a substantial increase in the living space since June 30, 1947, but before April 1, 1948. No increase in the maximum rent shall be ordered on the ground set forth in this paragraph (a) (3) unless the increase in living space, services, furniture, furnishings or equipment occurred with the consent of the tenant or while the accommodations were vacant: *Provided,* That an adjustment may be ordered, although the tenant refuses to consent to the increase in living space, services, furniture, furnishings or equipment, if the Expediter finds that such increase (i) is reasonably required for the operation of a multiple dwelling structure or other structure of which the accommodations are a part or (ii) is necessary for the preservation or maintenance of the accommodations.

[Subparagraph (3) corrected 12 F. R. 5422; effective 8-9-47]

(4) [Revoked.]

(5) [Revoked.]

(6) *Varying rents.* The rent on the date determining the maximum rent was established by a lease or other rental agreement which provided for a higher rent at other periods during the term of such lease or agreement.

(7) *Seasonal rents.* The rent on the date determining the maximum rent was substantially lower than at other time of year by reason of seasonal demand, or seasonal variations in the rent, for such housing accommodations. In such cases the Expediter's order may if he deems it advisable provide for different maximum rent for different periods of the calendar year.

(8) *Substantial increase in occupancy.* (i) There has been, since the date determining the maximum rent a substantial increase in the number of subtenants or other persons occupying the accommodations or a part thereof under a rental agreement with the tenant.

(ii) There has been, since the date determining the maximum rent a substantial increase in the number of occupants in excess of normal occupancy for that class of accommodations on the maximum rate date.

(ii) There has been, since the date determining the maximum rent an increase in the number of occupants over the number contemplated by the rental agreement on the date determining the maximum rent, where the landlord on that date had a regular and definite practice of fixing different rents for the accommodations for different numbers of occupants.

(9) [Revoked.]

(10) *Priority rating granted on September 1941 application form of Office of Production Management.* The maximum rent for the housing accommodations was originally established under section 4 (f) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, the application for priority rating for the construction of the housing accommodations was filed on the September 1941 form in use by the Office of Production Management prior to the revision of this form on December 15, 1941, the landlord did not make, prior to the maximum rent date, or, if the accommodations were not rented on that date, prior to the first renting of the accommodations after that date, a written request to the appropriate agency of the United States to approve a higher rent than the rent initially approved because of increased costs of construction, and the maximum rent for the accommodations is substantially lower than the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, giving due consideration to general increases in costs of construction, if any, in the defense-rental area since the maximum rent date.

This paragraph (a) (10) shall apply only to housing accommodations which were first rented prior to March 29, 1944.

(11) *Inequitable rents.* The rent on the date determining the maximum rent was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

[Sub-paragraph (11) amended by amdt. 5, 13 F. R. 1870, effective 4-1-48]

(12). *Substantial hardship from increase in operating expenses.* The landlord is suffering a substantial hardship because his present net income for the property is less than his average annual net income for a prior base period due to an avoidable increase in operating expenses. A petition for adjustment under this section must be filed on Form D-58 or D-58A, whichever is appropriate, provided by the Expediter, in accordance with instructions contained therein.

In proper cases increase in pay-roll and property taxes in effect on the date of the filing of the petition may be considered by the Expediter in determining whether substantial hardship exists.

For the purposes of this paragraph (a) (12), the term:

(i) "Property" includes one or more structures operated as a single unit or enterprise.

(ii) "Present net income" means the amount determined by subtracting the operating expenses for the current year from the present annual income.

(iii) "Operating expenses" means all property taxes and other operating costs, including depreciation, but excluding interest, necessary to the operation and maintenance of the property properly chargeable and allocated to the current year, or base period, as the case may be.

(iv) "Current year" means: (a) the most recent calendar or fiscal year used by the landlord; or (b) any 12 consecutive months ending not more than 90 days prior to the date of the filing of the petition; *Provided, however,* That if an allowance is requested for increase in pay-roll or property taxes not fully reflected in the "current year" as defined above, at least one calendar month must have passed between the end of the current year and the beginning of the month in which the petition is filed.

(v) "Present annual income" means the legal monthly rent for all units in the premises, both residential and commercial, on the date the petition is filed, multiplied by 12, together with any other income earned from the operation of the property during the current year. In any case where an uncontrolled rental unit is vacant, or is occupied in whole or in part rent free on such date, the full rental value shall be considered the legal rent. In any case where a unit was rented on a seasonal or varying rental basis during the year ending on the date the petition was filed, the average monthly rental during such year shall be considered the legal rent.

(vi) "Net income for the base period" means the amount determined by subtracting operating expenses for the base period from total income for the base period.

(vii) "Base period" means any period of two consecutive years prior to the current year but not beginning before January 1, 1939, which the Expediter finds to be representative of the property's normal operations: *Provided, however,* That where a representative period of two consecutive years is not available, the Expediter in his discretion may, for the purpose of this section, accept a representative period of not less than one year: *And provided further,* That where a previous adjustment was granted under this paragraph (a) (12) the base period shall be the current year used in obtain-

ing that adjustment, except that the total income shall be appropriately adjusted in accordance with the previous adjustment.

(viii) "Total income for the base period" means total rental and other income earned from the property and the full rental value of any accommodations in the property occupied in whole or in part rent free.

In making adjustments under this paragraph (a) (12), the Expediter shall take into consideration any adjustments in maximum rents ordered after the date the petition is filed, as well as any leases which are in effect under section 204 (b) of the Housing and Rent Act of 1947, as amended.

No adjustment shall be granted under this paragraph (a) (12) with respect to housing accommodations regularly rented to employees of the landlord (so-called company housing).

In any case where a petition for adjustment under this paragraph (a) (12) was pending on June 30, 1948, the landlord may elect to have the petition processed under this section as it read prior to its amendment on July 10, 1948.

(13) *Rented to an employee of landlord.* The housing accommodations were rented to an employee of the landlord both on the date determining the maximum rent and at the time the order under this paragraph (a) (13) is issued, and after the date determining the maximum rent but prior to the effective date of regulation the landlord and tenant agreed, as the result of a continuous process of bargaining on interrelated matters, upon a wage increase and a rent increase, and the wage increase agreed upon has been put into effect.

(14) *Changes from year-round to seasonal renting.* The accommodations are located in a resort community, are primarily adapted to occupancy on a seasonal basis, are vacant and the establishment of seasonal variations in the rent would not, in the opinion of the area rent director, be inconsistent with the purposes of the act.

(15) *Approval of higher rents for priority constructed housing.* The maximum rent was established under section 4 (f) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, and prior to final completion of all units included in a single priority application, but subsequent to the first renting of said accommodations, the landlord made a written request to the appropriate agency of the United States to approve a higher rent than the rent initially approved because of increased costs of construction, and a higher rent was approved by such agency.

16. *Landlord operating at a loss.* The landlord is operating at a loss. A landlord shall be considered to be operating at a loss if his operating expenses for the premises for the current year exceed his total annual income for such premises. A petition for adjustment under this section must be filed on form D–99, provided by the Expediter, and in accordance with instructions contained therein.

For the purposes of this paragraph (a) (16), the terms:

(i) "Operating expenses" includes all property taxes and other operating costs, including depreciation (but excluding interest) necessary to the operation and maintenance of the premises properly chargeable and allocated to the "current year."

(ii) "Total annual income" means "present annual scheduled rental income" plus any other income earned from the operation of the premises during the current year.

(iii) "Present annual scheduled rental income" means the legal monthly rent for all units in the premises, both residential and commercial, on the date the petition is filed, multiplied by 12. In any case where an uncontrolled rental unit is vacant, or is occupied in whole or in part rent free on such date, the full rental value shall be considered the legal rent, and in any case where a unit was rented on a seasonal or varying rental basis during the year ending on the date the petition was filed, the average monthly rent during such year shall be considered the legal rent.

(iv) "Current year" means any 12 consecutive months ending not more than 90 days prior to the date of the filing of the petition: *Provided, however,* That such current year must extend at least 6 months beyond the last date of the "current year" used in a previous petition on which an adjustment was granted due to operating loss.

(v) "Depreciation" means any one of the following:

The amount shown on the landlord's income tax return to the United States Bureau of Internal Revenue for the year including the maximum rent date; or,

Two and one-half percent of the value at which the building was assessed for tax purposes on the maximum rent date; or if it was not in existence on the maximum rent date, two and one-half percent of the first assessed value of the building; or,

The amount derived by multiplying the present annual scheduled rental income by the appropriate percentage as follows:

	Percent
For one or two-unit structures	21
For three or four-unit structures	16
For five or more unit structures	11

In making adjustments under this section the Expediter shall take into consideration any adjustments in maximum rents after the date the petition is filed, as well as any leases which are in effect under section 204 (b) of the Housing and Rent Act of 1947, as amended.

No adjustment shall be granted under this section with respect to housing accommodations regularly rented to employees of the landlord (so-called company housing).

(b) *Decreases in minimum services, furniture, furnishings, equipment and space*—(1) *Requirements for petition and order, or report.* The landlord shall, until the accommodations become vacant, maintain the minimum services, furniture, furnishings, and equipment as required under section 3, unless and until he has filed a petition to decrease the services, furniture, furnishings, or equipment and an order permitting a decrease has been entered thereon. When the accommodations become vacant, the landlord may on renting to a new tenant decrease the services, furniture, furnishings, or equipment below the minimum; within 10 days after so renting the landlord shall file a written report with the area rent director showing such decrease.

(2) *Adjustment in maximum rent for decreases on and after April 1, 1948.* The order on any petition under this paragraph (b) may require an appropriate adjustment in the maximum rent; and any maximum rent for which a report is required by this paragraph (b) may be decreased in accordance with the provisions of section 5 (c) (3).

If the landlord fails to file the report required by this paragraph (b) within the time specified, or decreases the services, furniture, furnishings, or equipment without an order authorizing such decrease where such order is required, the rent received by the landlord for any rental period commencing on or after such decrease or April 1, 1948, whichever is the later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order decreasing the maximum rent on account of such decrease in services, furniture, furnishings, or equipment. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to comply with this paragraph (b), the order may relieve the landlord of the duty to refund.

(3) *Adjustments in maximum rent for decreases prior to April 1, 1948.* Where a landlord decreased living space, services, furniture, furnishings, or equipment before April 1, 1948, while the accommodations were occupied, or decreased the living space, services, furniture, furnishings, or equipment during such period while the accommodations were vacant, and failed or fails to file a petition or a written report as was required by the provisions of this paragraph (b) prior to April 1, 1948, the rent received by the landlord for any rental period commencing on or after such decrease or July 1, 1947, whichever is later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an

order decreasing the maximum rent on account of such decrease in living space, services, furniture, furnishings, or equipment. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order, unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to comply with the provisions of this paragraph (b) in effect prior to April 1, 1948, the order may relieve the landlord of the duty to refund.

[Section 5 (b) amended by amdt. 5 13 F. R. 1870, effective 4–1–48]

(c) *Grounds for decrease of maximum rent.* The Expediter at any time, on his own initiative or on application of the tenant, may order a decrease of the maximum rent otherwise allowable only on the grounds that:

(1) *Rent higher than rents generally prevailing.* The maximum rent for housing accommodations established under paragraph (c), (d), (e), (g), or (j) of Section 4 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, or under paragraph (c) or (e) of section 4 of this regulation is higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

Where the maximum rent for said housing accommodations was originally established under paragraph (c), (d), (e), or (j) of section 4 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, and the landlord failed, due to his fault, to file a timely proper registration statement, the rent received for any rental period commencing on or after July 1, 1947 shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order under this section. Such amount shall be refunded to the tenant within 30 days after the date of the issuance of the order, unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. The landlord shall have the duty to refund only if the order under this section is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

[Section 5 (c) (1) amended by amdt. 5, 13 F. R. 1870, effective 4–1–48]

(2) *Substantial deterioration.* There has been a substantial deterioration of the housing accommodations other than ordinary wear and tear since the date or order determining its maximum rent.

(3) *Decrease in space, services, furniture, furnishings or equipment.* There has been a decrease in the minimum services, furniture, furnishings or equipment required by section 3 since the date or order determining the maximum rent, or a substantial decrease in the living space since June 30, 1947, but before April 1, 1948.

(4) *Special relationship between landlord and tenant or peculiar circumstances.* The rent on the date determining the maximum rent was materially affected by the blood, personal, or other special relationship between the landlord and tenant, or by peculiar circumstances and as a result was substantially higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

(5) *Varying rents.* The rent on the date determining the maximum rent was established by a lease or other rental agreement which provided for a lower rent at other periods during the term of such lease or agreement.

(6) *Seasonal rent.* The rent on the date determining the maximum rent was substantially higher than at other times of year by reason of seasonal demand or seasonal variations in the rent, for such housing accommodations. In such cases the Expediter's order may if he deems advisable provide for different maximum rents for different periods of the calendar year.

(7) *Substantial decrease in occupancy.* There has been a substantial decrease in the number of subtenants or other occupants since an order under paragraph (a) (8) of this section, or section 5 (a) (8) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended.

(8) *Modification or elimination of necessity for increase under section 5 (a) (12).* There has been a modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (12) of this section or section 5 (a) (12) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, since the order issued under either of said paragraphs.

(d) *Orders where facts are in dispute, in doubt, or not known.* If the maximum rent, or any other fact necessary to the determination of the maximum rent, or the living space, services, furniture, furnishings or equipment required to be provided with the accommodations is in dispute between the landlord and the tenant, or is in doubt, or is not known, the Expediter at any time on his own initiative, may enter an order fixing the maximum rent by determining such fact, or determining the living space, services, furniture, furnishings, and equipment required to be provided with the accommodations which order shall be effective to establish the maximum rent from July 1, 1947 or the date of first renting after July 1, 1947, whichever is applicable. If the Expediter is unable to ascertain such fact or facts, he shall enter the order on the basis of the rent which he finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date and, where appropriate, may determine the living space, services, furniture, furnishings and equipment included in such rent.

[Subparagraph (d) corrected, 12 F. R. 5422; effective 8–9–47]

(e) *Sale of underlying lease or other rental agreement.* Where housing accommodations or a predominant part thereof are occupied by one or more subtenants or other persons occupying under a rental agreement with the tenant the tenant may petition the Expediter for leave to exercise any right he would have except for this regulation to sell his underlying lease or other rental agreement. The Expediter may grant such petition if he finds that the sale will not result, and that sales of such character would not be likely to result in the circumvention or evasion of the Act or this regulation. He may require that the sale be made on such terms as he deems necessary to prevent such circumvention or evasion.

(f) *Interim orders.* Where a petition is filed by a landlord on one of the grounds set out in paragraph (a) of this section or a proceeding is initiated by the Expediter under paragraph (d), the Expediter may enter an interim order increasing or fixing the maximum rent until further order subject to refund by the landlord to the tenant of any amount received in excess of the maximum rent established by final order in such proceeding. The receipt by the landlord of any rent authorized by such interim order shall constitute an agreement by the landlord with the tenant to refund to the tenant any amount received in excess of the maximum rent established by final order. The landlord shall make such refund either by repayment in cash or where the tenant remains in occupancy after the effective date of the final order, by deduction from the next installment of rent, or both.

(g) *Adjustments in case of options to buy.* No adjustment in the maximum rent shall be ordered on the ground that the landlord has, as a part of or in connection with a lease of housing accommodations, granted the tenant an option to buy the accommodations which are the subject of the lease. Where a lease of housing accommodations was in force on the date determining the maximum rent, and the landlord had on that date, as a part of or in connection with such lease, granted the tenant an option to buy the accommodations which are the subject of the lease, the Expediter may, on or after the termination of such lease, on his own initiative or on application of the tenant, enter an order fixing the maximum rent on the basis of the rents which the Expediter finds were generally prevailing in the defense-rental area for comparable housing accommodations not subject to an option to buy on the maximum rent date.

(h) *Public housing.* Where the maximum rent for any housing accommodations constructed by the United States or any agency thereof, or by a State of the United States or any of its political subdivisions, or any agency of the State, or any of its political subdivisions, and owned by any of the foregoing, is below the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, the owner of such accommodations may with the consent of the Expediter increase the maximum rents to such generally prevailing rent by re-registering such accommodations at such generally prevailing rent.

For the purpose of this section, any corporation formed under the laws of a

State shall not be considered an agency of the United States.

In all cases under paragraph (a) of this section the adjustment in the maximum rent shall be effective as of the date of the filing of the landlord's petition.

[Above paragraph added by Amendment 4, 13 F. R. 442; effective 1-31-48]

For the purpose of this section, any corporation formed under the laws of a State shall not be considered an agency of the United States.

(i) *Adjustment to correct determinations of maximum rent.* The Expediter at any time on petition of the landlord or on his own initiative may enter an order adjusting the maximum rent where the maximum rent in effect on June 30, 1947 was established by an order issued under the rent regulations issued pursuant to the Emergency Price Control Act of 1942, as amended, and such order was based upon an erroneous determination of fact or law.

[Paragraph (i) added by Am. 1, 12 F. R. 5455, effective 8-8-47]

SECTION 6

SEC. 6. *Inspection.* Any person who rents or offers for rent or acts as a broker or agent for the rental of housing accommodations and any tenant shall permit such inspection of the accommodations by the Expediter as he may, from time to time, require.

SECTION 7

SEC. 7. *Registration*—(a) *Registration statement.* Every landlord of controlled housing accommodations rented or offered for rent shall file in triplicate a written statement on the form provided therefor, to be known as a registration statement, unless a registration statement was heretofore filed in accordance with the provisions of section 7 of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended. For housing accommodations rented prior to June 1, 1947, such registration statement shall be filed on or before July 10, 1947. For housing accommodations first rented on or after June 1, 1947, such registration statement shall be filed on or before July 30, 1947, or within 30 days after first renting, whichever is later. The statement shall identify each dwelling unit and specify the maximum rent provided by this regulation for such dwelling unit and shall contain such other information as the Expediter shall require. The original shall remain on file with the Expediter and he shall cause one copy to be delivered to the tenant and one copy, stamped to indicate that it is a correct copy of the original, to be returned to the landlord. In any subsequent change of tenancy the landlord shall exhibit to the new tenant his stamped copy of the registration statement and shall obtain the tenant's signature and the date thereof, on the back of such statement.

[Sec. 7 (a) corrected 12 F. R. 5422; effective 8-9-47]

When the maximum rent is changed by order of the Expediter, the landlord shall deliver his stamped copy of the registration statement to the area rent office for appropriate action reflecting such change.

Where, since the filing of the registration statement for any controlled housing accommodations, there has been a change in the identity of the landlord, by transfer of title or otherwise, the new landlord shall file a notice of such change on a form provided for that purpose, to be known as a notice of change in identity within 15 days after the change or July 1, 1947, whichever is later. If the new landlord indicates on the notice of change of identity that he has not obtained the landlord's copy of the original registration statement, the Expediter shall cause to be prepared and delivered to him a true copy of the original, which may be used to satisfy all requirements of this paragraph (a).

Any notice, order or other process or paper directed to the person named on the registration statement as the landlord at the address given thereon, or, where a notice of change in identity has been filed, to the person named as landlord and at the address given in the most recent such notice, shall, under the circumstances, prescribed in Revised Rent Procedural Regulation 1 constitute notice to the person who is then the landlord.

The provisions of this section shall be applicable to any housing accommodations whose maximum rent was determined under section 4 (g) of the Rent Regulation for Housing issued pursuant to the Emergency Price Control Act of 1942, as amended, on its sale by the owning agency, and within thirty days after the sale of such accommodations the new landlord shall file a registration statement as provided in subsection (a) of this section: *Provided, however,* That if the housing accommodations are sold to the United States or a state of the United States or any of its political subdivisions, or any agency of the foregoing, paragraph (c) of this section shall continue to be applicable.

(b) *Receipt for amount paid.* No payment of rent need be made unless the landlord tenders a receipt for the amount to be paid.

(c) *Exceptions from registration requirements*—(1) *Housing owned and constructed by governmental agencies.* The provisions of this section shall not apply to housing accommodations whose maximum rent was originally determined under section 4 (g) of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended. The owner of such housing accommodations shall file a schedule or schedules, setting out the maximum rents for all such accommodations in the defense-rental area and containing such other information as the Expediter shall require. A copy of such schedule or schedules shall be posted by the owner in a place where it will be available for inspection by the tenants of such housing accommodations.

(2) *Housing subject to rent schedule of War or Navy Department.* The provisions of this section shall not apply to housing accommodations rented to either Army or Navy personnel, including any civilian employees of the War and Navy Departments, for which the rent is fixed by the national rent schedule of the War or Navy Department.

SECTION 8

SEC. 8. *Evasion*—(a) *General.* The maximum rents and other requirements provided in this regulation shall not be evaded, either directly or indirectly, in connection with the renting or leasing or the transfer of a lease of housing accommodations, by way of absolute or conditional sale, sale with purchased money or other form of mortgage, or sale with option to repurchase or by modification of the practices relating to payment of commissions or other charges or by modification of the services furnished with housing accommodations, or by tying agreement, or otherwise.

[Sec. 8 (a) corrected 12 F. R. 5422; effective 8-9-47]

(b) *Purchase of property as condition of renting.* Specifically, but without limitation on the foregoing, no person shall require a tenant or prospective tenant to purchase or agree to purchase furniture or any other property as a condition of renting housing accommodations unless the prior written consent of the Expediter is obtained.

SECTION 9

SEC. 9. *Enforcement.* Persons violating any provision of this regulation are subject to civil enforcement actions and suits for treble damages as provided by the act.

SECTION 10

SEC. 10. *Procedure.* All registration statements, reports and notices provided for by this regulation shall be filed with the area rent office. All landlord's petitions and tenant's applications shall be filed with such office in accordance with Revised Rent Procedural Regulation 1.

SECTION 11

SEC. 11. [Revoked.]

SECTION 12

SEC. 12. *Adoption of orders.* All orders issued pursuant to section 2 (c), 2 (d) (3) and 2 (d) (7) of the Rent Regulation for Housing, issued pursuant to the Emergency Price Control Act of 1942, as amended, which were in effect on June 30, 1947, shall be deemed to continue in effect under this regulation unless and until revoked or modified by the Expediter.

EVICTION PROVISIONS OF THE ACT

EXCERPT FROM THE HOUSING AND RENT ACT OF 1947, AS AMENDED, EFFECTIVE APRIL 1, 1948

SEC. 209. (a) No action or proceeding to recover possession of any controlled housing accommodations with respect to which a maximum rent is in effect under this title shall be maintainable by any landlord against any tenant in any court, notwithstanding the fact that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled unless:

(1) Under the law of the State in which the action or proceeding is brought the tenant is (a) violating the obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this act or an obligation to surrender possession

of such housing accommodations) or (b) is committing a nuisance in such housing accommodations or using such housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes;

(2) The landlord seeks in good faith to recover possession of such housing accommodations for his immediate and personal use and occupancy as housing accommodations, or for the immediate and personal use and occupancy as housing accommodations by a member or members of his immediate family, or, in the case of a landlord which is an organization exempt from taxation under section 101 (6) of the Internal Revenue Code, for the immediate and personal use and occupancy as housing accommodations of members of its staff: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association no action or proceeding under this paragraph or paragraph (3) to recover possession of any such housing accommodations shall be maintained unless stock in the cooperative corporation or association has been purchased by persons who are then stockholder tenants in occupancy of at least 65 per centum of the dwelling units in the structure or premises and are entitled by reason of stock ownership to proprietary leases of dwelling units in the structure or premises; but this proviso shall not apply where such corporation or association acquires or leases such structure or premises after the effective date of the Housing and Rent Act of 1948 pursuant to a contract entered into prior to such date;

(3) The landlord has in good faith contracted in writing to sell the housing accommodations to a purchaser for the immediate and personal use and occupancy as housing accommodations by such purchaser;

(4) The landlord seeks in good faith to recover possession of such housing accommodations (A) for the immediate purpose of substantially altering or remodeling the same for continued use as housing accommodations, or for the immediate purpose of conversion into additional housing accommodations, and the altering, remodeling, or conversion cannot practically be done with the tenant in occupancy, and the landlord has obtained such approval as may be required by Federal, State, or local law for the alterations, remodeling, or any conversion planned, or (B) for the immediate purpose of demolishing such housing accommodations;

(5) The landlord seeks in good faith to recover possession of such housing accommodations for the immediate purpose of withdrawing such housing accommodations from the rental market, and such housing accommodations shall not thereafter be offered for rent as such; or

(6) The housing accommodations have been acquired by a State or any political subdivision thereof for the purpose of making a public improvement and are rented temporarily pending the construction of such improvement.

(b) Notwithstanding any other provision of this act, the United States or any State or local public agency may maintain an action or proceeding to recover possession of any housing accommodations operated by it where such action or proceeding is authorized by the statute or regulations under which such accommodations are administered: *Provided*, That nothing in this subsection shall be deemed to authorize the maintenance of any such action or proceeding upon the ground that the income of the occupants of the housing accommodations exceeds the allowable maximum unless such income, less any amounts paid to such occupants by the Veterans' Administration on account of service-connected disability or disabilities, exceeds the allowable maximum.

(c) No tenant shall be obliged to surrender possession of any housing accommodations pursuant to the provisions of paragraph (2), (3), (4), (5), or (6) of subsection (a) until the expiration of at least sixty days after written notice from the landlord that he desires to recover possession of such housing accommodations for one of the purposes specified in such paragraphs.

Effective date. This Controlled Housing Rent Regulation for the Atlantic County Defense-Rental Area shall become effective July 1, 1947. [Originally issued June 30, 1947.]

[Effective dates of amendments are shown in notes following parts affected. The changes made by amendment 6, issued July 1, 1948, and effective July 10, 1948, are indicated by underscoring.]

NOTE: All reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 48-6224; Filed, July 9, 1948; 11:22 a. m.]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947, AS AMENDED

RENT REGULATION FOR CONTROLLED ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS IN NEW YORK CITY DEFENSE-RENTAL AREA,[1] INCLUDING AMENDMENTS 1-6

§ 825.6 *Rent regulation for controlled rooms in rooming houses and other establishments for New York City defense-rental area.* Rent regulation for controlled rooms in rooming houses and other establishments for the New York City defense-rental area issued pursuant to the Housing and Rent Act of 1947, Public Law 129, 80th Congress, as amended, is as follows:

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[1] 12 F. R. 4318, 5423, 5458, 5700; 13 F. R. 231, 442, 1876.

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SECTION 1

SECTION 1. *Definitions and scope of this Regulation.* "Act" means the Housing and Rent Act of 1947, as amended.

"Expediter" means the Housing Expediter, or the Rent Director or such other person or persons as the Housing Expediter may appoint or designate to carry out any of the duties delegated to him by the act.

"Rent Director" means the person designated by the Expediter as director of the defense-rental area or such person or persons as may be designated to carry out any of the duties delegated to the Rent Director by the Expediter.

[Section 1 amended by Amdt. 5, 13 F. R. 1876; effective 4–1–48]

"Local Advisory Board" means a board created in a defense-rental area or a part thereof, the members of which are appointed by the Housing Expediter upon recommendations made by the Governor or as otherwise required by section 204 (e) of the Housing and Rent Act of 1947.

[Above paragraph added by Amdt. 2, 12 F. R. 5700; effective 8–22–47]

[Above paragraph amended by Amdt. 5, 13 F. R. 1876; effective 4–1–48]

"Area Rent Office" means the Office of the Rent Director in the defense-rental area.

"Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

"Housing accommodations" means any building structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes, together with all privileges, services, furniture, equipment, facilities and improvements connected with the use or occupancy of such property.

"Room" means a room or group of rooms, not constituting an apartment, rented or offered for rent as a housing accommodations unit in a rooming house, hotel, or other establishment. The term includes ground rented as trailer space.

"Services" includes repairs, decorating, and maintenance, the furnishing of light, heat, hot and cold water, telephone, elevator service, window shades, and storage, kitchen, bath, and laundry facilities and privileges, maid service, linen service, janitor service, the removal of refuse and any other privilege or facility connected with the use or occupancy of a room.

"Landlord" includes an owner, lessor, sublessor, assignee or other person receiving or entitled to receive rent for the use or occupancy of any room, or any agent of any of the foregoing.

"Tenant" includes a subtenant, lessee, sublessee, or other person entitled to the possession or to the use or occupancy of any room.

"Rent" means the consideration, including any bonus, benefit, or gratuity demanded or received for or in connection with the use or occupancy of a room or for the transfer of a lease of such room.

"Term of occupancy" means occupancy on a daily, weekly, or monthly basis.

"Rooming house" means, in addition to its customary usage, a building or portion of a building other than a hotel or motor court in which a furnished room or rooms not constituting an apartment are rented on a short term basis of daily, weekly or monthly occupancy to more than two paying tenants, not members of the landlord's immediate family. The term includes boarding houses, dormitories, trailers not a part of a motor court, residence clubs and all other establishments of a similar nature, including tourist homes.

"Hotel" means any establishment which is commonly known as a hotel in the community in which it is located and which provides customary hotel services.

[Above paragraph amended by Amdt. 5, 13 F. R. 1876; effective 4–1–48]

"Motor court" means an establishment renting rooms, cottages or cabins, supplying parking or storage facilities for motor vehicles in connection with such renting and other services and facilities customarily supplied by such establishments, and commonly known as a motor, auto or tourist court in the community.

"Tourist home" means a rooming house which caters primarily to transient guests and is known as a tourist home in the community.

"Apartment" means a room or rooms providing facilities commonly regarded in the community as necessary for a self-contained dwelling unit, and of a class of accommodations customarily rented without variations in rent dependent on terms of occupancy and number of occupants: *Provided, however,* That a self-contained dwelling unit containing a kitchen and bath shall be deemed an apartment.

"Other establishments" means multiple unit establishments, other than hotels or rooming houses, containing more than two rooms (see definition of room) rented or offered for rent on a short time basis of daily, weekly or monthly occupancy.

"Maximum rent date" means March 1, 1943, the date established as the maximum rent date in the New York City defense-rental area under the authority of the Emergency Price Control Act of 1942, as amended, and the regulations issued thereunder.

"Date determining maximum rent" means the date as of which a maximum rent was determined for any particular room in accordance with the Emergency Price Control Act of 1942, as amended, and the regulations issued thereunder, or under section 4 (b), (c), or (d) of this regulation whichever is applicable.

[Above paragraph corrected, 12 F. R. 5424; effective 8–7–47]

"The 30-day period determining the maximum rent" means the period provided in the "Hotel Regulation" for determining, under section 4 (a) or (b) of that regulation, the maximum rent for any room.

"Effective date of regulation" means November 1, 1943, the effective date of the "Hotel Regulation", for the New York City defense-rental area, except where the context indicates clearly to the contrary.

"Hotel Regulation" means the Rent Regulation for Transient Hotels, Residential Hotels, Rooming Houses, and Motor Courts for the New York City defense-rental area in effect on June 30, 1947, issued under authority of and pursuant to the Emergency Price Control Act of 1942, as amended.

(a) *Rooms in rooming houses, hotels, and other establishments and defense-rental area to which this regulation applies.* This regulation applies to all rooms in hotels, rooming houses, and other establishments and to all accommodations brought under this regulation by consent of the Area Rent Director pursuant to section 1 (e), and to all accommodations brought under the "Hotel Regulation" by consent of the Area Rent Director pursuant to section 1 (e) of that regulation, within the New York City defense-rental area, consisting of the City of New York (including the Boroughs of Bronx, Brooklyn, Manhattan, Queens, and Richmond) and the Counties of Nassau and Suffolk in the State of New York, except as provided in paragraph (b) of this section. The New York City defense-rental area is referred to hereinafter in this regulation as the "defense-rental area."

(b) *Decontrolled and exempted housing to which this regulation does not apply*—(1) *Exempted housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Farming tenants.* Rooms situated on a farm and occupied by a tenant who is engaged for a substantial portion of his time in farming operations thereon.

(ii) *Service employees.* Dwelling space occupied by domestic servants, caretakers, managers, or other employees to whom the space is provided as part or all of their compensation and who are employed for the purpose of rendering services in connection with the premises of which the dwelling space is a part.

(iii) *Charitable or educational institutions.* Rooms in hospitals, or rooms of charitable or educational institutions used in carrying out their charitable or educational purposes.

(iv) *Entire structures.* Entire structures or premises, as distinguished from the rooms within such entire structures or premises.

(v) *Non-profit clubs.* Rooms in a bona fide club certified by the Expediter as exempt. The Expediter shall so certify if on written request of the landlord he finds that the club (*a*) is a non-profit organization and is recognized as such by written statement of the Bureau of Internal Revenue, (*b*) rents rooms only to members, bona fide guests of members, and members of bona fide clubs with which the club has reciprocal arrangements for the exchange of privileges, and (*c*) is otherwise operated as a bona fide club.

(vi) *College fraternity or sorority houses.* Rooms in a bona fide college fraternity or sorority house certified by the Expediter as exempt. The Expediter shall so certify if, on written request of the landlord, he finds that the fraternity or sorority is a bona fide organization operated for the benefit of students and not for profit as a commercial or business enterprise. This exemption shall not apply when the rooms are rented to persons who are not members of the fraternity or sorority.

(vii) *Summer resort housing*—Rooms located in a resort community and customarily rented or occupied on a seasonal basis prior to October 1, 1945, which were not rented during any portion of the period beginning on November 1, 1943, and ending on February 29, 1944.

This exemption shall be effective only from June 1 to September 30, inclusive.

(2) *Decontrolled housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Rooms in hotels, motor courts, trailers and trailer spaces, tourist homes, and other establishments.* (*a*) Rooms in a hotel (see definition of hotel in section 1) which on June 30, 1947, were occupied by persons to whom were provided customary hotel services such as maid service, furnishing and laundering of linen, telephone and secretarial or desk service, use and upkeep of furniture and fixtures, and bellboy services (not necessarily all the types of services named need be provided in all cases, as long as enough are provided to constitute customary hotel services usually supplied in establishments commonly known as hotels in the community where they are located); (*b*) rooms in establishments which were motor courts on June 30, 1947; (*c*) trailers and ground space rented for trailers; (*d*) rooms in any tourist home serving transient guests exclusively on June 30, 1947; and (*e*) rooms in other establishments (see definition of other establishments in section 1) which are occupied by persons who are provided customary hotel services such as maid service, furnishing and laundering of linen, telephone and secretarial or desk service, use and upkeep of furniture and bellboy services.

Reporting requirements. Every landlord of rooms referred to in paragraphs (*a*), (*d*), and (*e*) above, who has not filed an application for decontrol prior to April 1, 1948, shall on or before June 1, 1948, file in the area rent office a report of decontrol of such accommodations on a form provided by the Expediter.

(ii) *Newly constructed rooms or converted rooms.* (*a*) Rooms the construction of which was completed on or after February 1, 1947, or which are additional accommodations created by conversion on or after February 1, 1947: *Provided, however,* That maximum rents established under the Veterans' Emergency Housing Act for priority constructed housing accommodations completed on or after February 1, 1947, shall continue in full force and effect if such accommodations are being rented to veterans of World War II or their immediate families who, on June 30, 1947, either (1) occupied such housing accommodations, or (2) had a right to occupy such housing accommodations at any time on or after July 1, 1947, under any agreement whether written or oral; (*b*) rooms the construction of which was completed on or after February 1, 1945, and prior to February 1, 1947, and which between the date of completion and June 30, 1947, both dates inclusive, at no time were rented (other than to members of the immediate family of the landlord) as housing accommodations.

For the purposes of this paragraph (ii) the time at which construction of a room shall be deemed to be "completed" shall be the date on which the room is first suitable for occupancy and all utility and service connections have been made, except for the installation of such items and the completion of such decoration work as, in accordance with the custom of the community, are left for installation by, or to the choice of, the purchaser or the tenant; and the word "conversion" means (1) a change from non-housing to a housing use or (2) a structural change in a residential unit or units involving substantial alterations or remodeling and resulting in the creation of additional housing accommodations.

(iii) *Rooms not rented for two-year period.* Rooms which for any successive 24-month period during the period February 1, 1945, to March 30, 1948, both dates inclusive, were not rented (other than to members of the immediate family of the landlord) as individual rooms or as a part of a larger housing accommodation.

(iv) *Non-housekeeping furnished accommodations.* Non-housekeeping, furnished housing accommodations, located within a single dwelling unit not used as a rooming or boarding house, but only if no more than two paying tenants, not members of the landlord's immediate family live in such dwelling unit, and the remaining portion of such dwelling unit is occupied by the landlord or his immediate family. (See definition of rooming house in section 1.)

(v) *Leased accommodations.* (*a*) Except as hereinafter provided in this paragraph (v), controlled rooms concerning which a landlord and tenant on or before December 31, 1947, voluntarily entered into a valid written lease in good faith and such lease took effect on or after July 2, 1947, but before January 1, 1948, and such lease by its terms expires on or after December 31, 1948, and provided for a rent not in excess of 15 percent above the maximum rent in effect prior to the effective date of such lease and a true and duly executed copy of such lease was filed with the Housing Expediter within 15 days after the date of execution thereof.

(*b*) Except as hereinafter provided in this paragraph (v), housing accommodations concerning which a landlord and tenant (including landlords and tenants who have executed leases in accordance with paragraph (*a*) above and including any new tenant) on or before December 31, 1948, voluntarily enter into a valid written lease in good faith for a rent not in excess of 15 percent over the maximum rent which in the absence of a lease would be in effect with respect thereto on March 30, 1948, plus or minus the amount of any adjustment under section 5 of this regulation, and such lease takes effect on or after April 1, 1948, and expires on or after December 31, 1949, and a true and duly executed copy of such lease is filed with the Expediter within 15 days after the date of execution of such lease.

Exceptions to (a) and (b) above. All controlled rooms referred to in paragraph (*a*) shall be subject to this regulation unless the lease provided for the same living space, services, furniture, furnishings and equipment with the controlled rooms as were required to be provided by this regulation prior to the effective date of the lease.

All controlled rooms referred to in paragraph (*b*) shall be subject to this regulation unless the lease provides for the same living space, services, furniture, furnishings, and equipment with the controlled rooms which in the absence of a lease would be required to be provided by this regulation on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

All controlled rooms referred to in paragraphs (*a*) and (*b*) shall be subject to this regulation if the lease is terminated or expires on or after April 1, 1948, and before March 31, 1949, unless a subsequent lease entered into under the provisions of paragraph (*b*) above is in force.

Reporting requirements. A landlord shall file Form D–92—Registration of Lease—in triplicate with the true and duly executed copy of the lease required to be filed in paragraph (*b*) above.

A landlord shall file a report in the Area Rent Office on a form provided by the Expediter, of any termination of a lease referred to in paragraphs (*a*) or (*b*) above prior to the expiration date of the lease. Such report shall be filed within 15 days after such termination or 15

days after April 1, 1948, whichever is later.

[Section 1 (b) amended by Amdt. 5, 13 F. R. 1876; effective 4–1–48]

(c) *Effect of this regulation on leases and other rental agreements.* The provisions of any lease or other rental agreement shall remain in force pursuant to the terms thereof, except insofar as those provisions are inconsistent with this regulation.

(d) *Waiver of benefit void.* An agreement by the tenant to waive the benefit of any provision of this regulation is void. A tenant shall not be entitled by reason of this regulation to refuse to pay or to recover any portion of any rents due or paid for use or occupancy prior to the effective date of this regulation.

(e) *Election by landlords to bring housing under this regulation.* Where a building or establishment contains one or more furnished rooms or other furnished housing accommodations whose maximum rents are determined under the Controlled Housing Rent Regulation, the landlord may with the consent of the Expediter, elect to bring all housing accommodations within such building or establishment under the control of this regulation. A landlord who so elects shall file the registration statements required by section 7 for all such housing accommodations, accompanied by a written request to the Expediter to consent to such election.

If the Expediter finds that the provisions of this regulation establishing maximum rents are better adapted to the rental practices of such building or establishment than the provisions of the Controlled Housing Rent Regulation, he shall consent to the landlord's election by order. Accommodations so brought under this regulation shall be considered "rooms" for the purposes of the regulation.

The landlord may at any time, with the consent of the Expediter, revoke his election made under this section 1 (e) or under section 1 (e) of the "Hotel Regulation", and thereby bring under the control of the Controlled Housing Rent Regulation all housing accommodations previously brought under this regulation by such election. He shall make such revocation by filing a registration statement or statements under the Controlled Housing Rent Regulation, including in such registration statement or statements all housing accommodations brought under this regulation by such election. Such registration statement or statements shall be accompanied by a written request to the Expediter to consent to such revocation. The Expediter may defer action on such request if he has taken or is about to take action to decrease the maximum rents of any housing accommodations within such building or establishment. If the Expediter finds that the revocation so requested will not result in substantial increases in the maximum rents of housing accommodations affected by such revocation, he shall give such consent. Upon such consent, all housing accommodations affected by such revocation shall become subject to the provisions of the Controlled Housing Rent Regulation.

SECTION 2

SEC. 2. *Prohibition* — (a) *Prohibition against higher than maximum rents.* Regardless of any contract, agreement, lease or other obligation heretofore or hereafter entered into, no person shall offer, demand, or receive any rent for or in connection with the use or occupancy on and after July 1, 1947 of any room subject to this regulation, within the defense-rental area, higher than the maximum rents provided by this regulation; and no person shall solicit, attempt, or agree to do any of the foregoing. A reduction in the services, furniture, furnishings or equipment required under section 3 of this regulation shall constitute an acceptance of rent higher than the maximum rent. Lower rents than those provided by this regulation may be demanded or received.

[Above paragraph amended by Amdt. 5, 13 F. R. 1876; effective 4–1–48]

(b) *Terms of occupancy*—(1) *Tenant not required to change term of occupancy.* No tenant shall be required to change his term of occupancy.

(2) *Term of occupancy during June 1943.* Where, during June 1943, a room was rented or offered for rent for a weekly or monthly term of occupancy, the landlord shall continue to offer the room for that term of occupancy except that he is not required to rent for that term more than the greatest number of rooms which were rented for the term at any one time during June 1943. However, if during the year ending on June 30, 1943, a landlord had regular and definite seasonal practices with reference to the renting of rooms on a weekly or monthly basis, he may request the Expediter to approve such practices. When approval is given the landlord shall offer rooms for rent for weekly and monthly terms of occupancy pursuant to the practices so approved. The Expediter may withdraw approval at any time if he finds that the landlord has failed to conform to such practices, or if he finds that the effects of the approval are inconsistent with the act or this regulation or are likely to result in the circumvention or evasion thereof.

(3) *Request by tenant to change term of occupancy.* Any tenant on a daily or weekly term of occupancy shall on request be permitted by the landlord to change to a weekly or monthly term unless the landlord is then renting for such term a number of rooms equal to the number which he is required to rent for that term under subparagraph (2). If the room occupied by such tenant was not rented or offered for rent for such term during June 1943, the landlord may transfer the tenant to a room, as similar as possible, which was so rented or offered for rent.

(4) *Orders where facts are in dispute, in doubt, or not known.* If the landlord's duty under subparagraph (2), with reference to a room is in dispute, or in doubt, or not known, the Expediter, at any time on his own initiative may issue an order determining the necessary facts and establishing such duty; or, if the Expediter is unable to ascertain the necessary facts, he may issue an order pursuant to subparagraph (5).

(5) *Orders determining terms of occupancy on basis of rental practices in comparable accommodations in the area.* Where subparagraph (2) does not require the offering of a room on a weekly or monthly basis, or where the Expediter is unable to ascertain the facts necessary to establish the landlord's duty under that paragraph, he may at any time on his own initiative issue an order requiring the room to be offered for rent for a weekly or monthly term of occupancy, or both. The Expediter may issue such orders if he finds that, during a reasonable period prior to the time the proceeding hereunder is commenced, the room has been rented under circumstances which make appropriate the application of weekly or monthly rents. In determining whether the landlord shall be required to offer the room on a weekly basis, or on a monthly basis, or both, the Expediter will consider the practices which prevailed in the defense-rental area for similar accommodations during a reasonable period prior to the effective date of regulation.

Upon issuance of such an order, the room shall be offered for rent on a weekly or monthly basis, or both, as the order may require, for each number of occupants for which it is offered by the landlord for any other term of occupancy. A tenant of the room on a daily or weekly basis shall on request be permitted by the landlord to change to any term of occupancy which the landlord is required to offer pursuant to the order.

(c) *Security deposits* — (1) *General prohibition.* Regardless of any contract, agreement, lease or other obligation heretofore or hereafter entered into, no person shall demand or receive or retain a security deposit for or in connection with the use or occupancy of any room subject to this regulation within the defense-rental area, except as provided in this paragraph (c). The term "security deposit," in addition to its customary meaning, includes any prepayment of rent except payment in advance of the next periodic installment of rent for a period no longer than one month but shall not include rent voluntarily prepaid subsequent to possession by a tenant under a written lease for his own convenience.

(2) *Maximum rent established under section 4 (a) of the "Hotel Regulation."* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (a), no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on the date determining the maximum rent.

(3) *Maximum rent established under section 4 (b) or (c) of the "Hotel Regulations"*—(i) *Renting prior to "effective date of regulation."* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (b) or (c) by a renting prior to the effective date of regulation, no security deposit shall be demanded, received or retained except in the amount

(or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement under which the accommodations were first rented or in any order heretofore or hereafter issued with reference to such security deposit. Where such lease or other rental agreement provided for a security deposit, the Expediter at any time, on his own initiative or on application of the tenant, may order a decrease in the amount of such deposit or may order its elimination.

(ii) *Renting on or after "effective date of regulation."* Where the maximum rent of the housing accommodations is or initially was established under section 4 (b) or (c) of the "Hotel Regulation" by a renting on or after the effective date of regulation, no security deposit shall be demanded or received.

(4) *Maximum rent established under section 4 (d) or (f) of the "Hotel Regulation."* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (d) or (f), no security deposit shall be demanded or received, except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) as provided in the lease or other rental agreement in effect on September 1, 1944. Where such accommodations are first rented after September 1, 1944, no security deposit shall be demanded, received, or retained.

(5) *Deposits to secure the return of certain movable articles.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may petition for an order authorizing the demand and receipt of a deposit to secure the return of movable articles. If the landlord shows that he has a special need therefor, the Expediter may enter an order authorizing a security deposit, not in excess of ten dollars to secure the return of the movable articles specified in the order.

(6) *Deposits based on prior rental practices.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may demand, receive, and retain, in the case of any rental agreement entered into on or after April 1, 1948, a security deposit, if said deposit does not exceed the rent for one month in addition to the otherwise authorized collection of rent in advance, if the demand, collection or retention of such a security deposit was an accepted rental practice, prior to January 30, 1942, in the area in which the premises are located, or was customarily required before that date by the same landlord in the renting of the particular controlled rooms involved, and if the tenant is allowed, under the terms of the rental agreement, to occupy the premises for the period covered by the security deposit without further payment of rent. Each area rent director shall determine the rental practice or practices, prior to January 30, 1942, with reference to such security deposits in the particular area or any portion thereof.

[Above paragraph amended by Amdt. 5, 13 F. R. 1876; effective 4-1-48]

SECTION 3

SEC. 3. *Minimum space, services, furniture, furnishings, and equipment.* Except as set forth in section 5 (b) or as otherwise provided in this section, every landlord, shall, as a minimum, provide with controlled rooms the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation on March 31, 1948.

Where the maximum rent is determined under section 4 (b) (1) of this regulation, the landlord shall, as a minimum, provide with the controlled rooms the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation prior to the effective date of the lease.

Where the maximum rent is determined under section 4 (b) (2) of this regulation, the landlord shall, as a minimum, provide with the controlled rooms the same living space, services, furniture, furnishings, and equipment as he would be required to provide by this regulation in the absence of a lease on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

[Section (3) amended by Amdt. 5, 13 F. R. 1876 effective 4-1-48]

SECTION 4

SEC. 4. *Maximum rents.* This section establishes separate maximum rents for different terms of occupancy (daily, weekly or monthly) and numbers of occupants of a particular room. Maximum rents for rooms in a rooming house and for controlled rooms in hotels and other establishments (unless and until changed by the Expediter as provided in section 5) shall be:

(a) *Maximum rents in effect on June 30, 1947.* The maximum rents for any rooms under this regulation (unless and until changed by the Expediter as provided in section 5) shall be the maximum rents which were in effect on June 30, 1947, as established under the Emergency Price Control Act of 1942, as amended, and the applicable rent regulation issued thereunder, except as otherwise provided in this section.

(b) *Maximum rent on termination of lease.* (1) For controlled rooms concerning which a lease as described in section 1 (b) (2) (v) (a) was in effect, but is terminated on or after April 1, 1948, but before March 31, 1949, the maximum rent shall be the rent provided by the lease or the maximum rent which would have been in effect for said accommodations on March 30, 1948, in the absence of such lease, whichever is higher.

(2) For controlled rooms concerning which a lease as described in section 1 (b) (2) (v) (b) was in effect and is terminated before March 31, 1949, the maximum rent shall be the rent provided by the lease.

[Section 4 (b) amended by Amdt. 5, 13 F. R. 1876; effective 4-1-48]

(c) *Maximum rents established on or after July 1, 1947.* For a room subject to this regulation first rented or offered for rent on or after July 1, 1947, the rent for each term or number of occupants for which it is first offered for rent; if such room is thereafter offered for rent for other terms or numbers of occupants, the rents for which it is first offered for such other term and numbers of occupants. The landlord shall file a registration statement within ten days after any maximum rent is established under this section as provided in section 7. The Expediter may order a decrease in the maximum rent as provided in section 5 (c).

(d) *First rents for terms and number of occupants not covered by (a).* For a room having a maximum rent in effect on June 30, 1947, rented for a particular term or number of occupants for which no maximum rent is established under paragraph (a) of this section, the first rent for the room on or after July 1, 1947, for that term and number of occupants, but not more than the maximum rent for similar rooms for the same term and number of occupants in the same establishment. The Expediter may order a decrease in the maximum rent as provided in section 5 (c).

(e) *Meals with room.* For a room with which meals were provided during the thirty-day period determining the maximum rent without separate charge therefor, the rent apportioned by the landlord from the total charge for the room and meals. The landlord's apportionment shall be fair and reasonable and shall be reported in the registration statement for such room. The Expediter at any time on his own initiative or on application of the tenant may by order decrease the maximum rent established by such apportionment, if he finds that the apportionment was unfair or unreasonable.

Every landlord who provides meals with accommodations shall make separate charges for the two. No landlord shall require the taking of meals as a condition of renting any room unless the room was rented or offered for rent on that basis on the maximum rent date.

(f) Where rooms on June 30, 1947, are rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments for which the rent is fixed by the national rent schedule of the War and Navy Departments, and on or after July 1, 1947, the rents on such rooms cease to be governed by the national rent schedule of the War or Navy Departments, the maximum rents shall be those which would have been applicable under the appropriate subsection of section 4 of the "Hotel Regulation", or shall be established under section 4 (c) of this regulation.

(g) *Rent fixed by order of Expediter.* For a room for a particular term or number of occupants for which no maximum rent has been established under any other provision of this regulation, the rent fixed by order of the Expediter as provided in this paragraph (g).

The Expediter at any time on his own initiative or on petition of the landlord may enter an order fixing the maximum

rent and specifying the minimum services for a room for a particular term or number of occupants for which no maximum rent has been established prior to issuance of the order under any other provision of this regulation. Such maximum rent shall be fixed on the basis of the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

(h) *Decontrolled maximum daily rents for controlled rooms.* Controlled rooms in establishments classified as hotels or tourist homes under section 7 of the "Hotel Regulation" permitted under and pursuant to section 4 (h) of said regulation to be rented on June 30, 1947, for daily terms of occupancy free of the limitations imposed by said regulation, by reason of the landlord of such establishment having complied with the requirements of said section 4 (h) prior to June 30, 1947, including the proper filing of Form DH–DC, may continue to be rented for daily terms of occupancy free of the limitations imposed by this regulation.

SECTION 5

SEC. 5. *Adjustments and other determinations.* In the circumstances enumerated in this section, the Expediter may issue an order changing the maximum rents otherwise allowable or the minimum space, services, furniture, furnishings or equipment required, except in cases where the maximum rent is established under section 4 (b) of this regulation or where an order increasing or decreasing the maximum rent on the same facts and grounds was entered under the "Hotel Regulation."

This section sets forth specific standards for the adjustment of maximum rents. In applying these standards and entering orders increasing or decreasing maximum rents, the Expediter shall give full consideration to the correction of inequities in maximum rents and the purposes and provisions of the Housing and Rent Act of 1947, as amended.

In the circumstances enumerated in this section, the Expediter may issue an order changing the maximum rents otherwise allowable or the minimum space, services, furniture, furnishings or equipment required, except in cases where an order increasing or decreasing the maximum rent on the same facts and grounds was entered under the "Hotel Regulation" issued pursuant to the Emergency Price Control Act of 1942, as amended.

In making adjustments under this section, recommendations of local advisory boards shall be approved within 30 days if appropriately substantiated and in accordance with applicable law and regulations. If any recommendation cannot be acted upon within 30 days the board shall be notified in writing of the reasons therefor.

In those cases involving a major capital improvement, an increase or decrease in services, furniture, furnishings, or equipment, or a deterioration, the adjustment in the maximum rent shall be the amount the Expediter finds would have been on the maximum rent date the difference in the rental value of the housing accommodations by reason of such change: *Provided, however,* That no adjustment shall be ordered where it appears that the rent on the date or during the thirty-day period establishing the maximum rent was fixed in contemplation of and so as to reflect such change.

In all other cases except those under paragraphs (a) (7), (a) (9), (a) (10), (c) (4,), (c) (5), and (c) (6) of this section, the adjustment shall be on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date: *Provided,* That in cases under paragraph (a) (6) of this section, the adjustment may be on the basis of the rental agreement in force during the thirty-day period determining the maximum rent or the date establishing the maximum rent: *Providing, further,* That in cases under sections 5 (a) (3), and 5 (c) (3) involving an increase or decrease in living space, the adjustment shall be either the amount the Expediter finds would have been on the maximum rent date the difference in the rental value of the controlled rooms by reason of such change or on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable controlled rooms on the maximum rent date, whichever is higher: *And provided, further,* That in cases under section 5 (g) the adjustment shall be in the amount necessary to correct the error.

In cases involving construction, appropriate allowance shall be made for general increases in costs of construction in the defense-rental area since 1939.

In cases under paragraphs (a) (7), (a) (10), and (c) (4) of this section, the adjustment shall be on the basis of the rents which the Expediter finds were generally prevailing in the defense-rental area for comparable accommodations during the year ending on the maximum rent date.

In cases under section 5 (a) (3) appropriate allowance shall be made for general increases in the costs of services, furniture, furnishings, or equipment in the defense-rental area since the maximum rent date.

In cases under paragraph (c) (5) of this section the adjustment shall be on the basis of the average rent during the period of occupancy of the lease or other rental agreement in effect on the date determining the maximum rent.

In cases under paragraph (a) (9) of this section, the adjustment in the maximum rent shall be in the amount necessary to relieve the substantial hardship.

In cases under paragraph (c) (6) of this section, the adjustment in the maximum rent shall be in the amount the Expediter finds warranted by the modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (9) of this section: *Provided,* That no decrease shall be ordered in an amount greater than the adjustment ordered under paragraph (a) (9) of this section.

In all cases under paragraph (a) of this section the adjustment in the maximum rent shall be effective as of the date of the filing of the landlord's petition.

[Section 5 (a) unnumbered paragraph amended by Amdt. 5, 13 F. R. 1876; effective 4–1–48]

(a) *Grounds for increase of maximum rents.* Any landlord may file a petition for adjustment to increase the maximum rent otherwise allowable only on the ground that:

(1) *Major capital improvement since maximum rent period.* There has been, since the period determining the maximum rent for the room under the "Hotel Regulation" or the date or order determining the maximum rent for the room, under either the "Hotel Regulation" or this regulation a substantial change in the room by a major capital improvement as distinguished from ordinary repair, replacement and maintenance.

(2) *Change prior to maximum rent date.* There was, on or prior to the maximum rent date, a substantial change in the room by a major capital improvement as distinguished from ordinary repair, replacement and maintenance or a substantial increase in services, furniture, furnishings or equipment, and the rent during the thirty-day period ending on the maximum rent date was fixed by a lease or other rental agreement which was in force at the time of such change or increase.

(3) *Substantial increase in space, services, furniture, furnishings or equipment.* There has been a substantial increase in the services, furniture, furnishings or equipment provided with the room since the period determining the maximum rent for the room under the "Hotel Regulation" or the date or order determining the maximum rent for the room under either the "Hotel Regulation" or this regulation, or a substantial increase in the living space since June 30, 1947.

(4) [Revoked.]

(5) [Revoked.]

(6) *Varying rents.* The maximum rent was established by a lease or other rental agreement which provided for a higher rent at other periods during the term of such lease or agreement.

(7) *Seasonal demand.* The maximum rent for the room is substantially lower than the rent at other times of year by reason of seasonal demand for such room. In such cases the Expediter's order may if he deems it advisable provide for different maximum rents for different periods of the calendar year.

(8) *Inequitable rents.* The rent on the date determining the maximum rent was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

[Subparagraph (8) amended by Amdt. 5, 13 F. R. 1876; effective 4–1–48]

(9) *Substantial hardship from increase in property taxes or operating costs.* Substantial hardship has resulted from a decrease in the net income (before interest) of the property for the current year as compared with a prior representative period, due to an unavoidable increase in property taxes or operating costs.

[Subparagraph (9) amended by Amdt. 1, 12 F. R. 5458; effective 8-8-47]

In proper cases increases in pay roll and property taxes in effect on the date of the filing of the petition may be considered by the Expediter in determining whether substantial hardship exists.

For the purposes of this paragraph (a) (9) the term:

(i) "Net income (before interest)" means the amount determined by subtracting unavoidable property taxes and operating costs actually paid or accrued from total income earned.

(ii) "Property taxes and operating costs" includes all expenses necessary to the operation and maintenance of the property actually paid or accrued and properly allocated including depreciation but excluding interest.

(iii) "Property" includes one or more structures operated as a single unit or enterprise.

(iv) "Total income earned" includes rental and other income earned from the property and the rental value of housing accommodations in the property occupied without the full payment of rent.

(v) "Current year" means (a) the most recent full calendar or fiscal year used by the landlord, or (b) any twelve-month period ending not more than 90 days prior to the filing of the petition: *Provided, however,* That the current year in all cases shall begin on or after the maximum rent date: *And provided, further,* That if allowance is requested for increases in pay-roll or property taxes not fully reflected in the "current year" as defined above, at least one calendar month must have passed between the end of the current year and the beginning of the month in which the petition is filed.

(vi) "Prior representative period" means any period of two consecutive years prior to the "current year" but not beginning before January 1, 1939 which the Expediter finds to be representative of the property's normal operation: *Provided, however,* That where a representative period of two consecutive years is not available the Expediter in his discretion may for the purposes of this section accept a representative period of not less than one year.

[Subparagraph (9) (vi) above is added by Amdt. 1, 12 F. R. 5458; effective 8-8-47]

(10) *Change from year-round to seasonal renting.* The accommodations are located in a resort community, are primarily adapted to occupancy on a seasonal basis, and the establishment of seasonal variations in the rent would not, in the opinion of the area rent director, be inconsistent with the purposes of the act.

(b) *Decrease in space, minimum services, furniture, furnishings or equipment.*

(1) *Requirements for petition and order, or report.* The landlord shall, until the accommodations become vacant, maintain the minimum services, furniture, furnishings, equipment and living space as required under section 3, unless and until he has filed a petition to decrease the services, furniture, furnishings, equipment or living space and an order permitting a decrease has been entered thereon. When the accommodations become vacant, the landlord may on renting to a new tenant decrease the services, furniture, furnishings, equipment or living space below the minimum; within 10 days after so renting the landlord shall file a written report with the area rent director showing such decrease.

(2) *Adjustment in maximum rent for decreases.* The order on any petition under this paragraph (b) may require an appropriate adjustment in the maximum rent; and any maximum rent for which a report is required by this paragraph (b) may be decreased in accordance with the provisions of section 5 (c) (3).

If the landlord fails to file the report required by this paragraph (b) within the time specified, or decreases the services, furniture, furnishings, equipment or living space without an order authorizing such decrease where such order is required, the rent received by the landlord for any rental period commencing on or after such decrease or July 1, 1947, whichever is the later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order decreasing the maximum rent on account of such decrease in services, furniture, furnishings, equipment or living space. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to comply with this paragraph (b), the order may relieve the landlord of the duty to refund.

(c) *Grounds for decrease of maximum rent.* The Expediter at any time, on his own initiative or on application of the tenant, may order a decrease of the maximum rent otherwise allowable, only on the grounds that:

(1) *Rent higher than rent generally prevailing.* The maximum rent for the room is higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

Where the maximum rent for said room was originally established under paragraph (b) or (c) of section 4 of the Rent Regulation for Transient Hotels, Residential Hotels, Rooming Houses and Motor Courts, issued pursuant to the Emergency Price Control Act of 1942, as amended, or where the maximum rent is established under paragraph (c) or (d) of section 4 of this regulation, and the landlord failed, due to his fault, to file a timely proper registration statement, the rent received for any rental period commencing on or after July 1, 1948, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order issued under paragraph (c) of this section 5. Such amount shall be refunded to the tenant within 30 days after the date of the issuance of the order, unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. The landlord shall have the duty to refund only if the order under this section is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

(2) *Substantial deterioration.* There has been a substantial deterioration of the room other than ordinary wear and tear since the date or order establishing its maximum rent.

(3) *Decrease in space, services, furniture, furnishings or equipment.* There has been a decrease in the minimum services, furniture, furnishings or equipment required by section 3 since the date or order establishing the maximum rent or a substantial decrease in the living space since June 30, 1947.

(4) *Seasonal demand.* The maximum rent for the room is substantially higher than the rent at other times of year by reason of seasonal demand for such room. In such cases the Expediter's order may if he deems it advisable provide for different maximum rents for different periods of the calendar year.

(5) *Rent concession.* The rent on the date determining the maximum rent was established by a lease or other rental agreement for a period of occupancy of one or more years, which provided for a rent concession during such period of occupancy in the form of either a rent-free period or an abatement of rent.

(6) *Modification or elimination of necessity for increase under section 5 (a) (9).* There has been a modification or elimination of the necessity for the increase in the maximum rent granted under section 5 (a) (9) of the "Hotel Regulation" or under paragraph (a) (9) of this section, since the order issued under either of said paragraphs.

(d) *Orders where facts are in dispute, in doubt, or not known.* If the maximum rent, or any other fact necessary to the determination of the maximum rent, or the living space, services, furniture, furnishings or equipment required to be provided with the accommodations, is in dispute between the landlord and the tenant, or is in doubt, or is not known, the Expediter at any time on his own initiative, may enter an order fixing the maximum rent by determining such fact, or determining the living space, services, furniture, furnishings, and equipment required to be provided with the accommodations which order shall be effective to establish the maximum rent from July 1, 1947, or the date of first renting after July 1, 1947, whichever is applicable. If the Expediter is unable to acertain such fact, or facts, he shall enter the order on the basis of the rent which he finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date and, where appropriate, may determine the living space, services, furniture, furnishings and equipment included in such rent.

[Above paragraph corrected, 12 F. R. 5424; effective 7-1-47]

(e) *Interim orders.* Where a petition is filed by a landlord on one of the

grounds set out in paragraph (a) of this section, or a proceeding is initiated by the Expediter under paragraph (d), the Expediter may enter an interim order increasing or fixing the maximum rent until further order, subject to refund by the landlord to the tenant of any amount received in excess of the maximum rent established by final order in such proceeding. The receipt by the landlord of any rent authorized by such interim order shall constitute an agreement by the landlord with the tenant to refund to the tenant any amount received in excess of the maximum rent established by final order. The landlord shall make such refund either by repayment in cash or, where the tenant remains in occupancy after the effective date of the final order, by deduction from the next installment of rent, or both.

(f) *Government housing.* Where the maximum rent for any room constructed by the United States or any agency thereof, or by a State of the United States or any of its political subdivisions, or any agency of the State, or any of its political subdivisions, and owned by any of the foregoing, is below the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, the owner of such room may with the consent of the Expediter increase the maximum rent to such generally prevailing rent by re-registering such accommodations at such generally prevailing rent.

For the purpose of this section, any corporation formed under the laws of a State shall not be considered an agency of the United States.

(g) *Adjustment to correct determinations of maximum rent.* The Expediter at any time on petition of the landlord or on his own initiative may enter an order adjusting the maximum rent where the maximum rent in effect on June 30, 1947, was established by an order issued under the rent regulations promulgated pursuant to the Emergency Price Control Act of 1942, as amended, and such order was based upon an erroneous determination of fact or law.

[Paragraph (g) added by Amdt. 1, 12 F. R. 5458; effective 8-8-47]

SECTION 6

SEC. 6. *Inspection.* Any person who rents or offers for rent or acts as a broker or agent for the rental of a room and any tenant shall permit such inspection of the room by the Expediter as he may from time to time require.

SECTION 7

SEC. 7. *Registration and records*—(a) *Registration statements*—(1) *Registration.* Every landlord of a room, subject to this regulation, rented or offered for rent shall file a written statement on the form provided therefor, containing such information as the Expediter shall require, to be known as a registration statement, unless a registration statement was heretofore filed in accordance with the provisions of section 7 of the "Hotel Regulation." For rooms rented on or before June 30, 1947, such registration statement shall be filed on or before July 10, 1947. Any maximum rent established after the "effective date of regulation" under paragraphs (b) or (c) of section 4 of the "Hotel Regulation" which has not been reported on the first registration statement shall be reported on or before July 10, 1947, either by amending a registration statement previously filed, or by filing a new registration statement. Any maximum rent established on or after July 1, 1947, which has not been reported on the first registration statement shall be reported within ten days after such rent is established either by amending a registration statement previously filed or by filing a new registration statement.

(2) *Notice of change in identity of landlord.* Where, since the filing of a registration statement, there has been a change in the identity of the landlord, by transfer of title or otherwise, the new landlord shall file a notice of such change on a form provided for that purpose, to be known as a notice of change in identity, within fifteen days after the change or July 1, 1947, whichever is the later.

(3) *Notice to landlord.* Any notice, order or other process or paper directed to the person named on the registration statement as landlord at the address given thereon, or where a notice of change in identity has been filed, to the person named as landlord and at the address given in the most recent such notice, shall, under the circumstances prescribed in Revised Rent Procedural Regulation 1, constitute notice to the person who is then the landlord.

(4) *Registration where maximum rent formerly determined under section 4 (d) of the "Hotel Regulation."* The provisions of this section shall be applicable to any housing accommodations whose maximum rent was determined under section 4 (d) of the "Hotel Regulation" on its sale by the owning agency; and on or before July 10, 1947, or within ten days after the sale of such accommodations, whichever is the later, the new landlord shall file registration statements as provided in paragraph (a) (1) of this section: *Provided, however,* That if the housing accommodations are sold to the United States or a State of the United States or any of its political subdivisions, or any agency of the foregoing, the provision in the second paragraph of (b) of this section shall continue to be applicable.

(b) *Posting maximum rents.* On or before July 10, 1947, or within ten days after a maximum rent is established under paragraph (b), (c), (d), or (g) of section 4, whichever is the later, every landlord shall post and thereafter keep posted conspicuously in each room rented or offered for rent a card or sign plainly stating the maximum rent or rents for all terms of occupancy and for all numbers of occupants for which the room is rented or offered for rent. Where the taking of meals by the tenant or prospective tenant is a condition of renting such room, the card or sign shall so state. Should the maximum rent or rents for the room be changed by order of the Expediter, the landlord within ten days after the effective date of the order shall alter the card or sign so that it states the changed rent or rents.

[Correction, 12 F. R. 5424, effective 7-1-47]

The foregoing provisions of this paragraph shall not apply to rooms whose maximum rents were established under section 4 (d) of the "Hotel Regulation." The owner of such rooms shall post a copy of the registration statement in a place where it will be available for inspection by the tenants of such rooms.

(c) *Receipt for amount paid.* No payment of rent need be made unless the landlord tenders a receipt for the amount to be paid.

(d) *Rooms subject to rent schedule of War or Navy Department.* The provisions of this section shall not apply to rooms rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments for which the rent is fixed by the national rent schedule of the War or Navy Department.

(e) *Records*—(1) *Existing records.* Every landlord of a room subject to this regulation rented or offered for rent shall preserve, and make available for examination by the Expediter, all his existing records showing or relating to (i) the rent for each term and number of occupants for such room rented or regularly offered for rent during the thirty-day period determining the maximum rent for such room, (ii) the rent on any date determining a maximum rent for such room for a particular term and number of occupants under section 4 (c) of the "Hotel Regulation", (iii) rooms rented and offered for rent on a weekly and monthly basis during June 1943.

(2) *Record keeping.* Every landlord of an establishment containing more than 20 rooms subject to this regulation, rented or offered for rent, shall keep, preserve, and make available for examination by the Expediter, records showing the rents received for each room, the particular term and number of occupants for which such rents were charged, and the name and permanent address of each occupant; every other landlord shall keep, preserve, and make available for examination by the Expediter, records of the same kind as he has customarily kept relating to the rents received for rooms.

SECTION 8

SEC. 8. *Evasion*—(a) *General.* The maximum rents and other requirements provided in this regulation shall not be evaded, either directly or indirectly in connection with the renting or leasing or the transfer of a lease of a room by requiring the tenant to pay or obligate himself for membership or other fees, or by modification of the practices relating to payment of commissions or other charges, or by modification of the services furnished with the room, or by tying agreement, or otherwise.

(b) *Purchase of property as condition of renting.* Specifically, but without limitation on the foregoing, no person shall require a tenant or prospective tenant to purchase or agree to purchase furniture or any other property as a condition of renting rooms unless the prior

written consent of the Expediter is obtained.

SECTION 9

SEC. 9. *Enforcement.* Persons violating any provisions of this regulation are subject to civil enforcement actions, and suits for treble damages as provided for by the Act.

SECTION 10

SEC. 10. *Procedure.* All registration statements, reports and notices provided for by this regulation shall be filed with the area rent office. All landlord's petitions and tenant's applications shall be filed with such office in accordance with Revised Rent Procedural Regulation 1.

SEC. 11. [Revoked.]

SECTION 12

SEC. 12. *Adoption of orders.* All certificates and orders issued pursuant to sections 1 (b) (5), 1 (b) (6), 2 (b) (2), 2 (c) (3) and 2 (c) (5) of the "Hotel Regulation" which were in effect on June 30, 1947, shall be deemed to continue in effect under this regulation unless and until revoked or modified by the Expediter.

EVICTION PROVISIONS OF THE ACT

EXCERPT FROM THE HOUSING AND RENT ACT OF 1947, AS AMENDED, EFFECTIVE APRIL 1, 1948

SEC. 209. (a) No action or proceeding to recover possession of any controlled housing accommodations with respect to which a maximum rent is in effect under this title shall be maintainable by any landlord against any tenant in any court, notwithstanding the fact that the tenant has no lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled unless—

(1) Under the law of the State in which the action or proceeding is brought the tenant is (A) violating the obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this Act or an obligation to surrender possession of such housing accommodations) or (B) is committing a nuisance in such housing accommodations or using such housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes;

(2) The landlord seeks in good faith to recover possession of such housing accommodations for his immediate and personal use and occupancy as housing accommodations, or for the immediate and personal use and occupancy as housing accommodations by a member or members of his immediate family, or, in the case of a landlord which is an organization exempt from taxation under section 101 (6) of the Internal Revenue Code, for the immediate and personal use and occupancy as housing accommodations of members of its staff: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association no action or proceeding under this paragraph or paragraph (3) to recover possession of any such housing accommodations shall be maintained unless stock in the cooperative corporation or association has been purchased by persons who are then stockholder tenants in occupancy of at least 65 per centum of the dwelling units in the structure or premises and are entitled by reason of stock ownership to proprietary leases of dwelling units in the structure or premises; but this proviso shall not apply where such corporation or association acquires or leases such structures or premises after the effective date of the Housing and Rent Act of 1948 pursuant to a contract entered into prior to such date;

(3) The landlord has in good faith contracted in writing to sell the housing accommodations to a purchaser for the immediate and personal use and occupancy as housing accommodations by such purchaser;

(4) The landlord seeks in good faith to recover possession of such housing accommodations (A) for the immediate purpose of substantially altering or remodeling the same for continued use as housing accommodations, or for the immediate purpose of conversion into additional housing accommodations, and the altering, remodeling, or conversion cannot practically be done with the tenant in occupancy, and the landlord has obtained such approval as may be required by Federal, State, or local law for the alterations, remodeling, or any conversion planned, or (B) for the immediate purpose of demolishing such housing accommodations;

(5) The landlord seeks in good faith to recover possession of such housing accommodations for the immediate purpose of withdrawing such housing accommodations from the rental market, and such housing accommodations shall not thereafter be offered for rent as such; or

(6) The housing accommodations have been acquired by a State or any political subdivision thereof for the purpose of making a public improvement and are rented temporarily pending the construction of such improvement.

(b) Notwithstanding any other provision of this Act, the United States or any State or local public agency may maintain an action or proceeding to recover possession of any housing accommodations operated by it where such action or proceeding is authorized by the statute or regulations under which such accommodations are administered: *Provided*, That nothing in this subsection shall be deemed to authorize the maintenance of any such action or proceeding upon the ground that the income of the occupants of the housing accommodations exceeds the allowable maximum unless such income, less any amounts paid to such occupants by the Veterans' Administration on account of service-connected disability or disabilities, exceeds the allowable maximum.

(c) No tenant shall be obliged to surrender possession of any housing accommodations pursuant to the provisions of paragraph (2), (3), (4), (5), or (6) of subsection (a) until the expiration of at least sixty days after written notice from the landlord that he desires to recover possession of such housing accommodations for one of the purposes specified in such paragraphs.

Effective date. This Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments for the New York City defense-rental area shall become effective July 1, 1947. [Originally issued June 30, 1947.]

[Effective dates of amendments are shown in notes following the parts affected. The changes made by amendment 6, issued July 1, 1948, and effective July 10, 1948, are indicated by underscoring]

NOTE: All reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 48-6222; Filed, July 9, 1948; 11:21 a. m.]

PART 825—RENT REGULATIONS UNDER THE HOUSING AND RENT ACT OF 1947 AS AMENDED

RENT REGULATION FOR CONTROLLED ROOMS IN ROOMING HOUSES AND OTHER ESTABLISHMENTS IN MIAMI DEFENSE-RENTAL AREA,[1] INCLUDING AMENDMENTS 1–7

§ 825.7 *Rent regulation for controlled rooms in rooming houses and other establishments in the Miami Defense-Rental Area.* Rent Regulation for Controlled Rooms in Rooming Houses and other Establishments in the Miami Defense-Rental Area issued pursuant to the Housing and Rent Act of 1947, Public Law 129, 80th Congress as amended is as follows:

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[1] 12 F. R. 4325, 5423, 5459, 5699; 13 F. R. 231, 442, 1119, 1878.

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SECTION 1

SECTION 1. *Definitions and scope of this regulation.* "Act" means the Housing and Rent Act of 1947, as amended.

"Expediter" means the Housing Expediter, or the Rent Director or such other person or persons as the Housing Expediter may appoint or designate to carry out any of the duties delegated to him by the act.

"Rent Director" means the person designated by the Expediter as director of the Defense-Rental Area or such person or persons as may be designated to carry out any of the duties delegated to the Rent Director by the Expediter.

"Local Advisory Board" means a board created in a defense-rental area or a part thereof, the members of which are appointed by the Housing Expediter upon recommendations made by the Governor or as otherwise required by section 204 (e) of the Housing and Rent Act of 1947, as amended.

[Above paragraph added by Amdt. 2, 12 F. R. 5699, effective 8-22-47; amended by Amdt. 6, 13 F. R. 1878, effective 4-1-48]

"Area Rent Office" means the Office of the Rent Director in the Defense-Rental Area.

"Person" includes an individual, corporation, partnership, association, or any other organized group of persons, or legal successor or representative of any of the foregoing, and includes the United States or any agency thereof, or any other government, or any of its political subdivisions, or any agency of any of the foregoing.

"Housing accommodations" means any building structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes, together with all privileges, services, furniture, equipment, facilities and improvements connected with the use or occupancy of such property.

"Room" means a room or group of rooms, not constituting an apartment, rented or offered for rent as a housing accommodations unit in a rooming house, hotel, or other establishment. The term includes ground rented as trailer space.

"Services" includes repairs, decorating, and maintenance, the furnishing of light, heat, hot and cold water, telephone, elevator service, window shades, and storage, kitchen, bath, and laundry facilities and privileges, maid service, linen service, janitor service, the removal of refuse and any other privilege or facility connected with the use or occupancy of a room.

"Landlord" includes an owner, lessor, sublessor, assignee or other person receiving or entitled to receive rent for the use or occupancy of any room, or any agent of any of the foregoing.

"Tenant" includes a subtenant, lessee, sublessor, assignee or other person repossession or to the use or occupancy of any room.

"Rent" means the consideration, including any bonus, benefit, or gratuity demanded or received for or in connection with the use or occupancy of a room or for the transfer of a lease of such room.

"Term of occupancy" means occupancy on a daily, weekly, or monthly basis.

"Rooming house" means, in addition to its customary usage, a building, or portion of a building other than a hotel or motor court in which a furnished room or rooms not constituting an apartment are rented on a short term basis of daily, weekly or monthly occupancy to more than two paying tenants, not members of the landlord's immediate family. The term includes boarding houses, dormitories, trailers not a part of a motor court, residence clubs and all other establishments of a similar nature, including tourist homes.

"Hotel" means any establishment which is commonly known as a hotel in the community in which it is located and which provides customary hotel services.

[Above paragraph amended by Amdt. 1, 12 F. R. 5459; effective 8-8-47; and Amdt. 6, 13 F. R. 1878; effective 4-1-48]

"Motor court" means an establishment renting rooms, cottages, or cabins, supplying parking or storage facilities for motor vehicles in connection with such renting and other services and facilities customarily supplied by such establishments, and commonly known as a motor, auto or tourist court in the community.

"Tourist home" means a rooming house which caters primarily to transient guests and is known as a tourist home in the community.

"Apartment" means a room or rooms providing facilities commonly regarded in the community as necessary for a self-contained dwelling unit, and of a class of accommodations customarily rented without variations in rent dependent on terms of occupancy and number of occupants: *Provided, however,* That a self-contained dwelling unit containing a kitchen and bath shall be deemed an apartment.

"Other establishments" means multiple unit establishments, other than hotels or rooming houses, containing more than two rooms (see definition of room) rented or offered for rent on a short time basis of daily, weekly or monthly occupancy.

"Maximum rent date" means September 1, 1943, the date established as the maximum rent date in the Miami Defense-Rental Area under the authority of the Emergency Price Control Act of 1942, as amended, and the regulations issued thereunder.

"Date determining maximum rent" means the date as of which a maximum rent was determined for any particular room in accordance with the Emergency Price Control Act of 1942, as amended, and the regulations issued thereunder, or under section 4 (b), (c), or (d) of this regulation whichever is applicable .

[Correction, 12 F. R. 5423; effective 7-1-47]

"The 30-day period determining the maximum rent" means the period provided in the "Hotel Regulation" for determining, under section 4 (a) or (b) of that regulation, the maximum rent for any room.

"Effective date of regulation" means October 15, 1943, the effective date of the "Hotel Regulation," for the Miami Defense-Rental Area, except where the context indicates clearly to the contrary.

"Hotel Regulation" means the Rent Regulation for Transient Hotels, Residential Hotels, Rooming Houses, and Motor Courts for the Miami Defense-Rental Area in effect on June 30, 1947, issued under authority of and pursuant to the Emergency Price Control Act of 1942, as amended.

(a) *Rooms in rooming houses, hotels, and other establishments and Defense-Rental Area to which this regulation applies.* This regulation applies to all rooms in hotels, rooming houses, and other establishments in the Miami Defense-Rental Area, consisting of the County of Dade and the City of Hollywood and the Town of Hallandale in the County of Broward in the State of Florida, except as provided in paragraph (b) of this section. The Miami Defense-Rental Area is referred to hereinafter in this regulation as the "Defense-Rental Area."

(b) *Decontrolled and exempted housing to which this regulation does not apply*—(1) *Exempted housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Farming tenants.* Rooms situated on a farm and occupied by a tenant who is engaged for a substantial portion of his time in farming operations thereon.

(ii) *Service employees.* Dwelling space occupied by domestic servants, caretakers, managers, or other employees to whom the space is provided as part or all of their compensation and who are employed for the purpose of rendering services in connection with the premises of which the dwelling space is a part.

(iii) *Charitable or educational institutions.* Rooms in hospitals, or rooms of charitable or educational institutions used in carrying out their charitable or educational purposes.

(iv) *Entire structures.* Entire structures or premises, as distinguished from the rooms within such entire structures or premises.

(v) *Non-profit clubs.* Rooms in a bona fide club certified by the Expediter as exempt. The Expediter shall so certify if on written request of the landlord he finds that the club (*a*) is a non-profit organization and is recognized as such by written statement of the Bureau of Internal Revenue, (*b*) rents rooms only to members, bona fide guests of members, and members of bona fide clubs with which the club has reciprocal arrangements for the exchange of privileges, and (*c*) is otherwise operated as a bona fide club.

(vi) *College fraternity or sorority houses.* Rooms in a bona fide college fraternity or sorority house certified by the Expediter as exempt. The Expediter shall so certify if, on written request of the landlord, he finds that the fraternity or sorority is a bona fide organization operated for the benefit of students and not for profit as a commercial or business enterprise. This exemption shall not apply when the rooms are rented to persons who are not members of the fraternity or sorority.

(vii) *Winter resort housing.* Rooms located in a resort community and customarily rented or occupied on a seasonal basis prior to October 15, 1943, the effective date of the "Hotel Regulation," which were not rented during any portion of the period beginning on June 1, 1946, and ending on September 30, 1946: *Provided, however,* That the Area Rent Director may by order extend the above exemption to controlled rooms otherwise qualified which were rented or offered for rent for a period of not in excess of two weeks during the above period.

This exemption shall be effective only from October 1 to May 31.

(2) *Decontrolled housing to which this regulation does not apply.* This regulation does not apply to the following:

(i) *Rooms in hotels, motor courts, trailers and trailer spaces, tourist homes, and other establishments.* (*a*) Rooms in a hotel (see definition of hotel in section 1) which on June 30, 1947, were occupied by persons to whom were provided customary hotel services such as maid service, furnishing and laundering of linen, telephone and secretarial or desk service, use and upkeep of furniture and fixtures, and bellboy services (not necessarily all the types of services named need be provided in all cases, as long as enough are provided to constitute customary hotel services usually supplied in establishments commonly known as hotels in the community where they are located); (*b*) rooms in establishments which were motor courts on June 30, 1947; (*c*) trailers and ground space rented for trailers; (*d*) rooms in any tourist home serving transient guests exclusively on June 30, 1947; and (*e*) rooms in other establishments (see definition of other establishments in section 1) which are occupied by persons who are provided customary hotel services such as maid service, furnishing and laundering of linen, telephone and secretarial or desk service, use and upkeep of furniture and fixtures, and bellboy services.

Reporting requirements. Every landlord of rooms referred to in paragraphs (*a*), (*d*), and (*e*) above, who has not filed an application for decontrol prior to April 1, 1948, shall on or before June 1, 1948, file in the area rent office a report of decontrol of such accommodations on a form provided by the Expediter.

(ii) *Newly constructed rooms or converted rooms.* (*a*) Rooms the construction of which was completed on or after February 1, 1947, or which are additional accommodations created by conversion on or after February 1, 1947: *Provided, however,* That maximum rents established under the Veterans' Emergency Housing Act for priority constructed housing accommodations completed on or after February 1, 1947, shall continue in full force and effect if such accommodations are being rented to veterans of World War II or their immediate families who, on June 30, 1947, either (1) occupied such housing accommodations, or (2) had a right to occupy such housing accommodations at any time on or after July 1, 1947, under any agreement whether written or oral; (*b*) rooms the construction of which was completed on or after February 1, 1945, and prior to February 1, 1947, and which between the date of completion and June 30, 1947, both dates inclusive, at no time were rented (other than to members of the immediate family of the landlord) as housing accommodations.

For the purposes of this paragraph (ii) the time at which construction of a room shall be deemed to be "completed" shall be the date on which the room is first suitable for occupancy and all utility and service connections have been made, except for the installation of such items and the completion of such decoration work as, in accordance with the custom of the community, are left for installation by, or to the choice of, the purchaser or the tenant; and the word "conversion" means (1) a change from non-housing to a housing use or (2) a structural change in a residential unit or units involving substantial alterations or remodeling and resulting in the creation of additional housing accommodations.

(iii) *Rooms not rented for two-year period.* Rooms which for any successive 24-month period during the period February 1, 1945, to March 30, 1948, both dates inclusive, were not rented (other than to members of the immediate family of the landlord) as individual rooms or as a part of a larger housing accommodation.

(iv) *Non-housekeeping furnished accommodations.* Non-housekeeping, furnished housing accommodations, located within a single dwelling unit not used as a rooming or boarding house, but only if no more than two paying tenants, not members of the landlord's immediate family live in such dwelling unit, and the remaining portion of such dwelling unit is occupied by the landlord or his immediate family. (See definition of rooming house in section 1.)

(v) *Leased accommodations.* (*a*) Except as hereinafter provided in this paragraph (v), controlled rooms concerning which a landlord and tenant on or before December 31, 1947, voluntarily entered into a valid written lease in good faith and such lease took effect on or after July 2, 1947, but before January 1, 1948, and such lease by its terms expires on or after December 31, 1948, and provided for a rent not in excess of 15 percent above the maximum rent in effect prior to the effective date of such lease and a true and duly executed copy of such lease was filed with the Housing Expediter within 15 days after the date of execution thereof.

(*b*) Except as hereinafter provided in this paragraph (v), housing accommodations concerning which a landlord and tenant (including landlords and tenants who have executed leases in accordance with paragraph (*a*) above and including any new tenant) on or before December 31, 1948, voluntarily enter into a valid written lease in good faith for a rent not in excess of 15 percent over the maximum rent which in the absence of a lease would be in effect with respect thereto on March 30, 1948, plus or minus the amount of any adjustment under section 5 of this regulation, and such lease takes effect on or after April 1, 1948, and expires on or after December

31, 1949, and a true and duly executed copy of such lease is filed with the Expediter within 15 days after the date of execution of such lease.

Exceptions to (a) and (b) above. All controlled rooms referred to in paragraph (*a*) shall be subject to this regulation unless the lease provides for the same living space, services, furniture, furnishings, and equipment with the controlled rooms as were required to be provided by this regulation prior to the effective date of the lease.

All controlled rooms referred to in paragraph (*b*) shall be subject to this regulation unless the lease provides for the same living space, services, furniture, furnishings, and equipment with the controlled rooms which in the absence of a lease would be required to be provided by this regulation on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

All controlled rooms referred to in paragraphs (*a*) and (*b*) shall be subject to this regulation if the lease is terminated or expires on or after April 1, 1948, and before March 31, 1949, unless a subsequent lease entered into under the provisions of paragraph (*b*) above is in force.

Reporting requirements. A landlord shall file Form D–92—Registration of Lease—in triplicate with the true and duly executed copy of the lease required to be filed in paragraph (*b*) above.

A landlord shall file a report in the Area Rent Office on a form provided by the Expediter, of any termination of a lease referred to in paragraphs (*a*) or (*b*) above prior to the expiration date of the lease. Such report shall be filed within 15 days after such termination or 15 days after April 1, 1948, whichever is later.

[Section 1 (b) amended by Amdt. 6, 13 F. R. 1878, effective 4–1–48]

(c) *Effect of this regulation on leases and other rental agreements.* The provisions of any lease or other rental agreement shall remain in force pursuant to the terms thereof, except insofar as those provisions are inconsistent with this regulation.

(d) *Waiver of benefit void.* An agreement by the tenant to waive the benefit of any provision of this regulation is void. A tenant shall not be entitled by reason of this regulation to refuse to pay or to recover any portion of any rents due or paid for use or occupancy prior to the effective date of this regulation.

SECTION 2

SEC. 2. *Prohibition*—(a) *Prohibition against higher than maximum rents.* Regardless of any contract, agreement, lease or other obligation heretofore or hereafter entered into, no person shall offer, demand, or receive any rent for or in connection with the use or occupancy on and after July 1, 1947, of any room subject to this regulation, within the defense-rental area, higher than the maximum rents provided by this regulation; and no person shall solicit, attempt, or agree to do any of the foregoing. A reduction in the services, furniture, furnishings or equipment required under section 3 of this regulation shall constitute an acceptance of rent higher than the maximum rent. Lower rents than those provided by this regulation may be demanded or received.

[Subparagraph (a) amended by Amdt. 6, 13 F. R. 1878, effective 4–1–48]

(b) *Terms of occupancy.* (1) *Tenant not required to change term of occupancy.* No tenant shall be required to change his term of occupancy.

(2) *Term of occupancy during September 1943.* Where, during September 1943, a room was rented or offered for rent for a weekly or monthly term of occupancy, the landlord shall continue to offer the room for that term of occupancy except that he is not required to rent for that term more than the greatest number of rooms which were rented for the term at any one time during September 1943. However, if during the year ending on September 30, 1943, a landlord had regular and definite seasonal practices with reference to the renting of rooms on a weekly or monthly basis, he may request the Expediter to approve such practices. When approval is given the landlord shall offer rooms for rent for weekly and monthly terms of occupancy pursuant to the practices so approved. The Expediter may withdraw approval at any time if he finds that the landlord has failed to conform to such practices, or if he finds that the effects of the approval are inconsistent with the act or this regulation or are likely to result in the circumvention or evasion thereof.

(3) *Request by tenant to change term of occupancy.* Any tenant on a daily or weekly term of occupancy shall on request be permitted by the landlord to change to a weekly or monthly term unless the landlord is then renting for such term a number of rooms equal to the number which he is required to rent for that term under subparagraph (2). If the room occupied by such tenant was not rented or offered for rent for such term during September 1943, the landlord may transfer the tenant to a room, as similar as possible, which was so rented or offered for rent.

(4) *Orders where facts are in dispute, in doubt, or not known.* If the landlord's duty under subparagraph (2), with reference to a room is in dispute, or in doubt, or not known, the Expediter, at any time on his own initiative may issue an order determining the necessary facts and establishing such duty; or, if the Expediter is unable to ascertain the necessary facts, he may issue an order pursuant to subparagraph (5).

(5) *Orders determining terms of occupancy on basis of rental practices in comparable accommodations in the area.* Where subparagraph (2) does not require the offering of a room on a weekly or monthly basis, or where the Expediter is unable to ascertain the facts necessary to establish the landlord's duty under that paragraph, he may at any time on his own initiative issue an order requiring the room to be offered for rent for a weekly or monthly term of occupancy, or both. The Expediter may issue such orders if he finds that, during a reasonable period prior to the time the proceeding hereunder is commenced, the room has been rented under circumstances which make appropriate the application of weekly or monthly rents. In determining whether the landlord shall be required to offer the room on a weekly basis, or on a monthly basis, or both, the Expediter will consider the practices which prevailed in the defense-rental area for similar accommodations during a reasonable period prior to the effective date of regulation.

Upon issuance of such an order, the room shall be offered for rent on a weekly or monthly basis, or both, as the order may require, for each number of occupants for which it is offered by the landlord for any other term of occupancy. A tenant of the room on a daily or weekly basis shall on request be permitted by the landlord to change to any term of occupancy which the landlord is required to offer pursuant to the order.

(c) *Security deposits*—(1) *General prohibition.* Regardless of any contract, agreement, lease or other obligation heretofore or hereafter entered into, no person shall demand or receive or retain a security deposit for or in connection with the use or occupancy of any room subject to this regulation within the defense-rental area, except as provided in this paragraph (c). The term "security deposit", in addition to its customary meaning, includes any prepayment of rent except payment in advance of the next periodic installment of rent for a period no longer than one month but shall not include rent voluntarily prepaid subsequent to possession by a tenant under a written lease for his own convenience.

(2) *Maximum rent established under section 4 (a) of the "Hotel Regulation."* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (a), no security deposit shall be demanded, received, or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement in effect on the date determining the maximum rent.

(3) *Maximum rent established under section 4 (b) or (c) of the "Hotel Regulation"*—(i) *Renting prior to "effective date of regulation."* Where the maximum rent of the housing accommodations is or initially was established under said section 4 (b) or (c) by a renting prior to the effective date of regulation, no security deposit shall be demanded, received or retained except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) provided for in the lease or other rental agreement under which the accommodations were first rented or in any order heretofore or hereafter issued with reference to such security deposit. Where such lease or other rental agreements provided for a security deposit, the Expediter at any time, on his own

initiative or on application of the tenant, may order a decrease in the amount of such deposit or may order its elimination.

(ii) *Renting on or after "effective date of regulation."* Where the maximum rent of the housing accommodations is or initially was established under section 4 (b) or (c) of the "Hotel Regulation" by a renting on or after the effective date of regulation, no security deposit shall be demanded or received.

(4) *Maximum rent established under section 4 (d) or (f) of the "Hotel Regulation."* Where the maximum rent of the housing accommodation is or initially was established under said section 4 (d) or (f), no security deposit shall be demanded or received, except in the amount (or any lesser amount) and on the same terms and conditions (or on terms and conditions less burdensome to the tenant) as provided in the lease or other rental agreement in effect on September 1, 1944. Where such accommodations are first rented after September 1, 1944, no security deposit shall be demanded, received, or retained.

(5) *Deposits to secure the return of certain movable articles.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may petition for an order authorizing the demand and receipt of a deposit to secure the return of movable articles. If the landlord shows that he has a special need therefor, the Expediter may enter an order authorizing a security deposit, not in excess of ten dollars to secure the return of the movable articles specified in the order.

(6) *Deposits based on prior rental practices.* Notwithstanding the preceding provisions of this paragraph (c), any landlord may demand, receive, and retain, in the case of any rental agreement entered into on or after April 1, 1948, a security deposit, if said deposit does not exceed the rent for one month in addition to the otherwise authorized collection of rent in advance, if the demand, collection or retention of such a security deposit was an accepted rental practice, prior to January 30, 1942, in the area in which the premises are located, or was customarily required before that date by the same landlord in the renting of the particular controlled rooms involved, and if the tenant is allowed, under the terms of the rental agreement, to occupy the premises for the period covered by the security deposit without further payment of rent. Each area rent director shall determine the rental practice or practices, prior to January 30, 1942, with reference to such security deposits in the particular area or any portion thereof.

[Paragraph (6) added by Amdt. 6, 13 F. R. 1878, effective 4-1-48]

SECTION 3

SEC. 3. *Minimum space, services, furniture, furnishings, and equipment.* Except as set forth in section 5 (b) or as otherwise provided in this section, every landlord, shall, as a minimum, provide with controlled rooms the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation on March 31, 1948.

Where the maximum rent is determined under section 4 (b) (1) of this regulation, the landlord shall, as a minimum, provide with the controlled rooms the same living space, services, furniture, furnishings, and equipment as he was required to provide by this regulation prior to the effective date of the lease.

Where the maximum rent is determined under section 4 (b) (2) of this regulation, the landlord shall, as a minimum, provide with the controlled rooms the same living space, services, furniture, furnishings, and equipment as he would be required to provide by this regulation in the absence of a lease on March 30, 1948, plus or minus such living space, services, furniture, furnishings and equipment as have thereafter been added or removed and for which increase or decrease an order adjusting the maximum rent has been issued by the Expediter.

[Section 3 amended by Amdt. 6, 13 F. R. 1878; effective 4-1-48]

SECTION 4

SEC. 4. *Maximum rents.* This section establishes separate maximum rents for different terms of occupancy (daily, weekly or monthly) and numbers of occupants of a particular room. Maximum rents for rooms in a rooming house and for controlled rooms in hotels and other establishments (unless and until changed by the Expediter as provided in section 5) shall be:

(a) *Maximum rents in effect on June 30, 1947.* The maximum rents for any rooms under this regulation (unless and until changed by the Expediter as provided in section 5) shall be the maximum rents which were in effect on June 30, 1947, as established under the Emergency Price Control Act of 1942, as amended, and the applicable rent regulation issued thereunder, except as otherwise provided in this section.

(b) *Maximum rent on termination of lease.* (1) For controlled rooms concerning which a lease as described in section 1 (b) (2) (v) (a) was in effect, but is terminated on or after April 1, 1948, but before March 31, 1949, the maximum rent shall be the rent provided by the lease or the maximum rent which would have been in effect for said accommodations on March 30, 1948, in the absence of such lease, whichever is higher.

(2) For controlled rooms concerning which a lease as described in section 1 (b) (2) (v) (b) was in effect and is terminated before March 31, 1949, the maximum rent shall be the rent provided by the lease.

[Section 4 (b) amended by Amdt. 6, 13 F. R. 1878, effective 4-1-48]

(c) *Maximum rents established on or after July 1, 1947.* For a room subject to this regulation first rented or offered for rent on or after July 1, 1947, the rent for each term or number of occupants for which it is first offered for rent; if such room is thereafter offered for rent for other terms or number of occupants, the rents for which it is first offered for such other term and number of occupants. The landlord shall file a registration statement within ten days after any maximum rent is established under this section as provided in section 7. The Expediter may order a decrease in the maximum rent as provided in section 5 (c).

(d) *First rents for terms and number of occupants not covered by (a).* For a room having a maximum rent in effect on June 30, 1947, rented for a particular term or number of occupants for which no maximum rent is established under paragraph (a) of this section, the first rent for the room on or after July 1, 1947, for that term and number of occupants, but not more than the maximum rent for similar rooms for the same term and number of occupants in the same establishment. The Expediter may order a decrease in the maximum rent as provided in section 5 (c).

(e) *Meals with room.* For a room with which meals were provided during the thirty-day period determining the maximum rent without separate charge therefor, the rent apportioned by the landlord from the total charge for the room and meals. The landlord's apportionment shall be fair and reasonable and shall be reported in the registration statement for such room. The Expediter at any time on his own initiative or on application of the tenant may by order decrease the maximum rent established by such apportionment, if he finds that the apportionment was unfair or unreasonable.

Every landlord who provides meals with accommodations shall make separate charges for the two. No landlord shall require the taking of meals as a condition of renting any room unless the room was rented or offered for rent on that basis on the maximum rent date.

(f) *Rooms subject to rent schedule of War or Navy Department.* Where rooms on June 30, 1947, are rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments for which the rent is fixed by the national rent schedule of the War and Navy Departments, and on or after July 1, 1947, the rents on such rooms cease to be governed by the national rent schedule of the War and Navy Departments, the maximum rents shall be those which would have been applicable under the appropriate subsection of section 4 of the "Hotel Regulation," or shall be established under section 4 (c) of this regulation.

(g) *Rent fixed by order of Expediter.* For a room for a particular term or number of occupants for which no maximum rent has been established under any other provision of this regulation, the rent fixed by order of the Expediter as provided in this paragraph (g).

The Expediter at any time on his own initiative or on petition of the landlord may enter an order fixing the maximum rent and specifying the minimum services for a room for a particular term or number of occupants for which no maximum rent has been established prior to issuance of the order under any other

provision of this regulation. Such maximum rent shall be fixed on the basis of the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

(h) *Decontrolled maximum daily rents for controlled rooms.* Controlled rooms in establishments classified as hotels or tourist homes under section 7 of the "Hotel Regulation" permitted under and pursuant to section 4 (h) of said regulation to be rented on June 30, 1947, for daily terms of occupancy free of the limitations imposed by said regulation, by reason of the landlord of such establishment having complied with the requirements of said section 4 (h) prior to June 30, 1947, including the proper filing of Form DH–DC, may continue to be rented for daily terms of occupancy free of the limitations imposed by this regulation.

SECTION 5

SEC. 5. *Adjustments and other determinations.* This section sets forth specific standards for the adjustment of maximum rents. In applying these standards and entering orders increasing or decreasing maximum rents, the Expediter shall give full consideration to the correction of inequities in maximum rents and the purposes and provisions of the Housing and Rent Act of 1947, as amended.

In the circumstances enumerated in this section, the Expediter may issue an order changing the maximum rents otherwise allowable or the minimum space, services, furniture, furnishings or equipment required, except in cases where an order increasing or decreasing the maximum rent on the same facts and grounds was entered under the "Hotel Regulation" issued pursuant to the Emergency Price Control Act of 1942, as amended.

In making adjustments under this section, recommendations of local advisory boards shall be approved within 30 days if appropriately substantiated and in accordance with applicable law and regulations. If any recommendations cannot be acted upon within 30 days the board shall be notified in writing of the reasons therefor.

In those cases involving a major capital improvement, an increase or decrease in services, furniture, furnishings, or equipment, or a deterioration, the adjustment in the maximum rent shall be the amount the Expediter finds would have been on the maximum rent date the difference in the rental value of the housing accommodations by reason of such change: *Provided, however,* That no adjustment shall be ordered where it appears that the rent on the date or during the thirty-day period establishing the maximum rent was fixed in contemplation of and so as to reflect such change.

In all other cases, except those under paragraphs (a) (7), (a) (9), (c) (4), and (c) (5) of this section, the adjustment shall be on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date: *Provided,* That in cases under paragraph (a) (6) of this section the adjustment may be on the basis of the rental agreement in force during the thirty-day period determining the maximum rent, or the date establishing the maximum rent: *Provided, further,* That in cases under sections 5 (a) (3) and 5 (c) (3) involving an increase or decrease in living space, the adjustment shall be either the amount the Expediter finds would have been on the maximum rent date the difference in the rental value of the controlled rooms by reason of such change or on the basis of the rent which the Expediter finds was generally prevailing in the defense-rental area for comparable controlled rooms on the maximum rent date, whichever is higher: *And provided, further,* That in cases under section 5 (g) the adjustment shall be in the amount necessary to correct the error.

In cases involving construction, appropriate allowance shall be made for general increases in costs of construction in the defense-rental area since 1939.

In cases under paragraphs (a) (7), and (c) (4) of this section, the adjustment shall be on the basis of the rents which the Expediter finds were generally prevailing in the defense-rental area for comparable accommodations during the year ending on the maximum rent date.

In cases under section 5 (a) (3) appropriate allowance shall be made for general increases in the costs of services, furniture, furnishings, or equipment in the defense-rental area since the maximum rent date.

In cases under paragraph (a) (9) of this section, the adjustment in the maximum rent shall be in the amount necessary to relieve the substantial hardship, which shall be the lesser of the following two amounts: the decrease in net income (before interest) or the increase in property taxes or operating costs.

In cases under paragraph (c) (5) of this section, the adjustment in the maximum rent shall be in the amount the Expediter finds warranted by the modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (9) of this section: *Provided,* That no decrease shall be ordered in an amount greater than the adjustment ordered under paragraph (a) (9) of this section.

In all cases under paragraph (a) of this section the adjustment in the maximum rent shall be effective as of the date of the filing of the landlord's petition.

[Unnumbered paragraphs of section 5 amended by Amdt. 6, 13 F. R. 1878, effective 4–1–48]

(a) *Grounds for increase of maximum rents.* Any landlord may file a petition for adjustment to increase the maximum rent otherwise allowable only on the ground that:

(1) *Major capital improvement since maximum rent period.* There has been, since the period determining the maximum rent for the room under the "Hotel Regulation" or the date or order determining the maximum rent for the room, under either the "Hotel Regulation" or this regulation a substantial change in the room by a major capital improvement as distinguished from ordinary repair, replacement and maintenance.

(2) *Change prior to maximum rent date.* There was, on or prior to the maximum rent date, a substantial change in the room by a major capital improvement as distinguished from ordinary repair, replacement and maintenance or a substantial increase in services, furniture, furnishings or equipment, and the rent during the thirty-day period ending on the maximum rent date was fixed by a lease or other rental agreement which was in force at the time of such change or increase.

(3) *Substantial increase in space, services, furniture, furnishings or equipment.* There has been a substantial increase in the services, furniture, furnishings or equipment provided with the room since the period determining the maximum rent for the room under the "Hotel Regulation" or the date or order determining the maximum rent for the room under either the "Hotel Regulation" or this regulation, or a substantial increase in the living space since June 30, 1947.

(4) [Revoked.]

(5) [Revoked.]

(6) *Varying rents.* The maximum rent was established by a lease or other rental agreement which provided for a higher rent at other periods during the term of such lease or agreement.

(7) *Seasonal demand.* The maximum rent for the room is substantially lower than the rent at other times of year by reason of seasonal demand for such room. In such cases the Expediter's order may if he deems it advisable provide for different maximum rents for different periods of the calendar year.

(8) *Inequitable rents.* The rent on the date determining the maximum rent was substantially lower than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

[Subparagraph (8) amended by Amdt. 2, 12 F. R. 5699, effective 8–22–47 and Amdt. 6, 13 F. R. 1878, effective 4–1–48]

(9) *Substantial hardship from increase in property taxes or operating costs.* Substantial hardship has resulted from a decrease in the net income (before interest) of the property for the current year as compared with a prior representative period, due to an unavoidable increase in property taxes or operating costs.

[Subparagraph (9) amended by Amdt. 1, 12 F. R. 5459; effective 8–8–47]

In proper cases increases in payroll and property taxes in effect on the date of the filing of the petition may be considered by the Expediter in determining whether substantial hardship exists.

For the purposes of this paragraph (a) (9) the terms:

(i) "Net income (before interest)" means the amount determined by subtracting unavoidable property taxes and operating costs actually paid or accrued from total income earned.

(ii) "Property taxes and operating costs" includes all expenses necessary to the operation and maintenance of the property actually paid or accrued and properly allocated including depreciation but excluding interest.

(iii) "Property" includes one or more structures operated as a single unit or enterprise.

(iv) "Total income earned" includes rental and other income earned from the property and the rental value of housing accommodations in the property occupied without the full payment of rent.

(v) "Current year" means (a) the most recent full calendar or fiscal year used by the landlord, or (b) any twelve-month period ending not more than 90 days prior to the filing of the petition: *Provided, however,* That the current year in all cases shall begin on or after the maximum rent date: *Provided, further,* That if allowance is requested for increases in pay roll or property taxes not fully reflected in the "current year" as defined above, at least one calendar month must have passed between the end of the current year and the beginning of the month in which the petition is filed.

(vi) "Prior representative period" means any period of two consecutive years prior to the "current year" but not beginning before January 1, 1939 which the Expediter finds to be representative of the property's normal operation: *Provided, however,* That where a representative period of two consecutive years is not available the Expediter in his discretion may for the purposes of this section accept a representative period of not less than one year.

[Subdivision (vi) added by Amdt. 1, 12 F. R. 5459; effective 8-8-47]

(b) *Decrease in space, minimum services, furniture, furnishings or equipment.* (1) *Requirements for Petition and Order, or Report.* The landlord shall, until the accommodations become vacant, maintain the minimum services, furniture, furnishings, equipment and living space as required under section 3, unless and until he has filed a petition to decrease the services, furniture, furnishings, equipment or living space and an order permitting a decrease has been entered therein. When the accommodations become vacant, the landlord may on renting to a new tenant decrease the services, furniture, furnishings, equipment or living space below the minimum; within 10 days after so renting the landlord shall file a written report with the area rent director showing such decrease.

(2) *Adjustment in maximum rent for decreases.* The order on any petition under this paragraph (b) may require an appropriate adjustment in the maximum rent; and any maximum rent for which a report is required by this paragraph (b) may be decreased in accordance with the provisions of section 5 (c) (3).

If the landlord fails to file the report required by this paragraph (b) within the time specified, or decreases the services, furniture, furnishings, equipment or living space without an order authorizing such decrease where such order is required, the rent received by the landlord for any rental period commencing on or after such decrease or July 1, 1947, whichever is the later, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order decreasing the maximum rent on account of such decrease in services, furniture, furnishings, equipment or living space. Such amount shall be refunded to the tenant within 30 days after the date of issuance of the order unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. If the Expediter finds that the landlord was not at fault in failing to comply with this paragraph (b), the order may relieve the landlord of the duty to refund.

(c) *Grounds for decrease of maximum rent.* The Expediter at any time, on his own initiative or on application of the tenant, may order a decrease of the maximum rent otherwise allowable, only on the grounds that:

(1) *Rent higher than rent generally prevailing.* The maximum rent for the room is higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.

Where the maximum rent for said room was originally established under paragraph (b) or (c) of section 4 of the Rent Regulation for Transient Hotels, Residential Hotels, Rooming Houses and Motor Courts, issued pursuant to the Emergency Price Control Act of 1942, as amended, or where the maximum rent is established under paragraph (c) or (d) of section 4 of this regulation, and the landlord failed, due to his fault, to file a timely proper registration statement, the rent received for any rental period commencing on or after July 1, 1948, shall be received subject to refund to the tenant of any amount in excess of the maximum rent which may later be fixed by an order issued under paragraph (c) of this section 5. Such amount shall be refunded to the tenant within 30 days after the date of the issuance of the order, unless the refund is stayed in accordance with the provisions of Revised Rent Procedural Regulation 1. The landlord shall have the duty to refund only if the order under this section is issued in a proceeding commenced by the Expediter within 3 months after the date of filing of such registration statement.

(2) *Substantial deterioration.* There has been a substantial deterioration of the room other than ordinary wear and tear since the date or order establishing its maximum rent.

(3) *Decrease in space, services, furniture, furnishings, or equipment.* There has been a decrease in the minimum services, furniture, furnishings or equipment required by section 3 since the date or order establishing the maximum rent or a substantial decrease in the living space since June 30, 1947.

(4) *Seasonal demand.* The maximum rent for the room is substantially higher than the rent at other times of year by reason of seasonal demand for such room. In such cases the Expediter's order may if he deems it advisable provide for different maximum rents for different periods of the calendar year.

(5) *Modification or elimination of necessity for increase under section 5 (a) (9).* There has been a modification or elimination of the necessity for the increase in the maximum rent granted under paragraph (a) (9) of the "Hotel Regulation" or under paragraph (a) (9) of this section, since the order issued under either of said paragraphs.

(d) *Orders where facts are in dispute, in doubt, or not known.* If the maximum rent, or any other fact necessary to the determination of the maximum rent, or the living space, services, furniture, furnishings or equipment required to be provided with the accommodations, is in dispute between the landlord and the tenant, or is in doubt, or is not known, the Expediter at any time on his own initiative, may enter an order fixing the maximum rent by determining such fact, or determining the living space, services, furniture, furnishings, and equipment required to be provided with the accommodations which order shall be effective to establish the maximum rent from July 1, 1947, or the date of first renting after July 1, 1947, whichever is applicable. If the Expediter is unable to ascertain such fact, or facts, he shall enter the order on the basis of the rent which he finds was generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date and, where appropriate, may determine the living space, services, furniture, furnishings and equipment included in such rent.

[Above paragraph corrected, 12 F. R. 5423; effective 7-1-47]

(e) *Interim orders.* Where a petition is filed by a landlord on one of the grounds set out in paragraph (a) of this section, or a proceeding is initiated by the Expediter under paragraph (d), the Expediter may enter an interim order increasing or fixing the maximum rent until further order, subject to refund by the landlord to the tenant of any amount received in excess of the maximum rent established by final order in such proceeding. The receipt by the landlord of any rent authorized by such interim order shall constitute an agreement by the landlord with the tenant to refund to the tenant any amount received in excess of the maximum rent established by final order. The landlord shall make such refund either by repayment in cash or, where the tenant remains in occupancy after the effective date of the final order, by deduction from the next installment of rent, or both.

(f) *Government housing.* Where the maximum rent for any room constructed by the United States or any agency thereof, or by a State of the United States or any of its political subdivisions, or any agency of the State, or any of its political subdivisions, and owned by any of the foregoing, is below the rent generally prevailing in the defense-rental area for comparable accommodations on the maximum rent date, the owner of such room may with the consent of the Expediter increase the maximum rent to such generally prevailing rent by re-registering such accommodations at such generally prevailing rent.

For the purpose of this section, any corporation formed under the laws of a State shall not be considered an agency of the United States.

(g) *Adjustment to correct determinations of maximum rent.* The Expediter at any time on petition of the landlord or on his own initiative may enter an order adjusting the maximum rent where the maximum rent in effect on June 30, 1947 was established by an order issued under the rent regulations promulgated pursuant to the Emergency Price Control Act of 1942, as amended, and such order was based upon an erroneous determination of fact or law.

[Paragraph (g) added by Amdt. 1, 12 F. R. 5459; effective 8-8-47]

SECTION 6

SEC. 6. *Inspection.* Any person who rents or offers for rent or acts as a broker or agent for the rental of a room and any tenant shall permit such inspection of the room by the Expediter as he may from time to time require.

SECTION 7

SEC. 7. *Registration and records*—(a) *Registration statements*—(1) *Registration.* Every landlord of a room, subject to this regulation, rented or offered for rent shall file a written statement on the form provided therefor, containing such information as the Expediter shall require, to be known as a registration statement, unless a registration statement was heretofore filed in accordance with the provisions of section 7 of the "Hotel Regulation." For rooms rented on or before June 30, 1947, such registration statement shall be filed on or before July 10, 1947. Any maximum rent established after the "effective date of regulation" under paragraphs (b) or (c) of section 4 of the "Hotel Regulation" which has not been reported on the first registration statement shall be reported on or before July 10, 1947, either by amending a registration statement previously filed, or by filing a new registration statement. Any maximum rent established on or after July 1, 1947, which has not been reported on the first registration statement shall be reported within ten days after such rent is established either by amending a registration statement previously filed or by filing a new registration statement.

(2) *Notice of change in identity of landlord.* Where, since the filing of a registration statement, there has been a change in the identity of the landlord, by transfer of title or otherwise, the new landlord shall file a notice of such change on a form provided for that purpose, to be known as a notice of change in identity, within fifteen days after the change or July 1, 1947, whichever is the later.

(3) *Notice to landlord.* Any notice, order or other process or paper directed to the person named on the registration statement as landlord at the address given thereon, or where a notice of change in identity has been filed, to the person named as landlord and at the address given in the most recent such notice, shall, under the circumstances prescribed in Revised Rent Procedural Regulation 1, constitute notice to the person who is then the landlord.

(4) *Registration where maximum rent formerly determined under section 4 (d) of the "Hotel Regulation."* The provisions of this section shall be applicable to any housing accommodations whose maximum rent was determined under section 4 (d) of the "Hotel Regulation" on its sale by the owning agency; and on or before July 10, 1947, or within ten days after the sale of such accommodations, whichever is the later, the new landlord shall file registration statements as provided in paragraph (a) (1) of this section: *Provided, however,* That if the housing accommodations are sold to the United States or a State of the United States or any of its political subdivisions, or any agency of the foregoing, the provision in the second paragraph of paragraph (b) of this section shall continue to be applicable.

(b) *Posting maximum rents.* On or before July 10, 1947, or within ten days after a maximum rent is established under paragraph (b), (c), (d) or (g) of section 4, whichever is the later, every landlord shall post and thereafter keep posted conspicuously in each room rented or offered for rent a card or sign plainly stating the maximum rent or rents for all terms of occupancy and for all numbers of occupants for which the room is rented or offered for rent. Where the taking of meals by the tenant or prospective tenant is a condition of renting such room, the card or sign shall so state. Should the maximum rent or rents for the room be changed by order of the Expediter, the landlord within ten days after the effective date of the order shall alter the card or sign so that it states the changed rent or rents.

[Above paragraph corrected, 12 F. R. 5423; effective 7-1-47]

The foregoing provisions of this paragraph shall not apply to rooms whose maximum rents were established under section 4 (d) of the "Hotel Regulation." The owner of such rooms shall post a copy of the registration statement in a place where it will be available for inspection by the tenants of such rooms.

(c) *Receipt for amount paid.* No payment of rent need be made unless the landlord tenders a receipt for the amount to be paid.

(d) *Rooms subject to rent schedule of War or Navy Department.* The provisions of this section shall not apply to rooms rented to either Army or Navy personnel, including civilian employees of the War and Navy Departments for which the rent is fixed by the national rent schedule of the War or Navy Department.

(e) *Records*—(1) *Existing records.* Every landlord of a room subject to this regulation rented or offered for rent shall preserve, and make available for examination by the Expediter, all his existing records showing or relating to (i) the rent for each term and number of occupants for such room rented or regularly offered for rent during the thirty-day period determining the maximum rent for such room, (ii) the rent on any date determining a maximum rent for such room for a particular term and number of occupants under section 4 (c) of the "Hotel Regulation", (iii) rooms rented and offered for rent on a weekly and monthly basis during September 1943.

(2) *Record keeping.* Every landlord of an establishment containing more than 20 rooms subject to this regulation, rented or offered for rent, shall keep, preserve, and make available for examination by the Expediter, records showing the rents received for each room, the particular term and number of occupants for which such rents were charged, and the name and permanent address of each occupant; every other landlord shall keep, preserve, and make available for examination by the Expediter, records of the same kind as he has customarily kept relating to the rents received for rooms.

SECTION 8

SEC. 8. *Evasion*—(a) *General.* The maximum rents and other requirements provided in this regulation shall not be evaded, either directly or indirectly in connection with the renting or leasing or the transfer of a lease of a room, by requiring the tenant to pay or obligate himself for membership or other fees, or by modification of the practices relating to payment of commissions or other charges, or by modification of the services furnished with the room, or by tying agreement, or otherwise.

(b) *Purchase of property as condition of renting.* Specifically, but without limitation on the foregoing, no person shall require a tenant or prospective tenant to purchase or agree to purchase furniture or any other property as a condition of renting rooms unless the prior written consent of the Expediter is obtained.

SECTION 9

SEC. 9. *Enforcement.* Persons violating any provisions of this regulation are subject to civil enforcement actions, and suits for treble damages as provided for by the act.

SECTION 10

SEC. 10. *Procedure.* All registration statements, reports and notices provided for by this regulation shall be filed with the area rent office. All landlord's petitions and tenant's applications shall be filed with such office in accordance with Revised Rent Procedural Regulation 1.

SECTION 11

SEC. 11. [Revoked.]

SECTION 12

SEC. 12. *Adoption of orders.* All certificates and orders issued pursuant to sections 1 (b) (5), 1 (b) (6), 2 (b) (2), 2 (c) (3), and 2 (c) (5) of the "Hotel Regulation" which were in effect on June 30, 1947, shall be deemed to continue in effect under this regulation unless and until revoked or modified by the Expediter.

EVICTION PROVISIONS OF THE ACT

EXCERPT FROM THE HOUSING AND RENT ACT OF 1947, AS AMENDED, EFFECTIVE APRIL 1, 1948

SEC. 209. (a) No action or proceeding to recover possession of any controlled housing accommodations with respect to which a maximum rent is in effect under this title shall be maintainable by any landlord against any tenant in any court, notwithstanding the fact that the tenant has no

lease or that his lease has expired, so long as the tenant continues to pay the rent to which the landlord is entitled unless:

(1) Under the law of the State in which the action or proceeding is brought the tenant is (A) violating the obligation of his tenancy (other than an obligation to pay rent higher than rent permitted under this Act or an obligation to surrender possession of such housing accommodations) or (B) is committing a nuisance in such housing accommodations or using such housing accommodations for an immoral or illegal purpose or for other than living or dwelling purposes;

(2) The landlord seeks in good faith to recover possession of such housing accommodations for his immediate and personal use and occupancy as housing accommodations, or for the immediate and personal use and occupancy as housing accommodations by a member or members of his immediate family, or, in the case of a landlord which is an organization exempt from taxation under section 101 (6) of the Internal Revenue Code, for the immediate and personal use and occupancy as housing accommodations of members of its staff: *Provided*, That in the case of housing accommodations in a structure or premises owned or leased by a cooperative corporation or association no action or proceeding under this paragraph or paragraph (3) to recover possession of any such housing accommodations shall be maintained unless stock in the cooperative corporation or association has been purchased by persons who are then stockholder tenants in occupancy of at least 65 per centum of the dwelling units in the structure or premises and are entitled by reason of stock ownership to proprietary leases of dwelling units in the structure or premises; but this proviso shall not apply where such corporation or association acquires or leases such structure or premises after the effective date of the Housing and Rent Act of 1948 pursuant to a contract entered into prior to such date;

(3) The landlord has in good faith contracted in writing to sell the housing accommodations to a purchaser for the immediate and personal use and occupancy as housing accommodations by such purchaser;

(4) The landlord seeks in good faith to recover possession of such housing accommodations (A) for the immediate purpose of substantially altering or remodeling the same for continued use as housing accommodations, or for the immediate purpose of conversion into additional housing accommodations, and the altering, remodeling, or conversion cannot practically be done with the tenant in occupancy, and the landlord has obtained such approval as may be required by Federal, State, or local law for the alterations, remodeling, or any conversion planned, or (B) for the immediate purpose of demolishing such housing accommodations;

(5) The landlord seeks in good faith to recover possession of such housing accommodations for the immediate purpose of withdrawing such housing accommodations from the rental market, and such housing accommodations shall not thereafter be offered for rent as such; or

(6) The housing accommodations have been acquired by a State or any political subdivision thereof for the purpose of making a public improvement and are rented temporarily pending the construction of such improvement.

(b) Notwithstanding any other provision of this Act, the United States or any State or local public agency may maintain an action or proceeding to recover possession of any housing accommodations operated by it where such action or proceeding is authorized by the statute or regulations under which such accommodations are administered: *Provided*, That nothing in this subsection shall be deemed to authorize the maintenance of any such action or proceeding upon the ground that the income of the occupants of the housing accommodations exceeds the allowable maximum unless such income, less any amounts paid to such occupants by the Veterans' Administration on account of service-connected disability or disabilities, exceeds the allowable maximum.

(c) No tenant shall be obliged to surrender possession of any housing accommodations pursuant to the provisions of paragraph (2), (3), (4), (5), or (6) of subsection (a) until the expiration of at least sixty days after written notice from the landlord that he desires to recover possession of such housing accommodations for one of the purposes specified in such paragraphs.

Effective date. This Rent Regulation for Controlled Rooms in Rooming Houses and Other Establishments in the Miami Defense-Rental Area shall become effective July 1, 1947. [Originally issued June 30, 1947.]

[Effective dates of amendments are shown in notes following the parts affected. The changes made by Amendment 7 issued July 1, 1948, and effective July 10, 1948, are indicated by underscoring.]

NOTE: All reporting and record-keeping requirements of this regulation have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

TIGHE E. WOODS,
Housing Expediter.

[F. R. Doc. 48-6223; Filed, July 9, 1948; 11:21 a. m.]

TITLE 25—INDIANS

Chapter I—Office of Indian Affairs, Department of the Interior

PART 02—DELEGATIONS OF AUTHORITY

MISCELLANEOUS AMENDMENTS

JULY 7, 1948.

Part 02, Delegation of Authority, is amended in the following respects:

1. Section 02.12 is added as follows:

§ 02.12 *Functions relating to activities of Five Civilized Tribes and Western Oklahoma Consolidated Indian Agencies, Oklahoma.* (a) The Superintendent of the Five Civilized Tribes Indian Agency and the General Superintendent of the Western Oklahoma Consolidated Agency may exercise the same authorities as the District Directors in relation to the matters covered by § 02.3 through 02.10.

2. In § 02.7 (b) subparagraph (10) is added as follows:

§ 02.7 *Functions relating to Indian lands and minerals.* * * *

(b) * * *

(10) The approval by the General Superintendent of the Western Oklahoma Consolidated Indian Agency of leases for oil, gas or other mining purposes, pursuant to the provisions of 25 CFR, Parts 186 and 189. The authority conferred by this paragraph extends to and includes the approval or other appropriate administrative action required on all assignments of mineral leases now or hereafter in force on restricted tribal or allotted lands, bonds and other instruments required in connection with such leases or assignments thereof, unit and communitization agreements, the acceptance of voluntary surrender of such leases by lessees, cancellation of leases for violation of terms thereof, and approval of agreements for settlement of claims for damages to Indian lands resulting from oil and gas or other mineral operations.

(R. S. 161, 463; 5 U. S. C. 22, 25 U. S. C. 1a, 2)

WILLIAM ZIMMERMAN, Jr.,
Acting Commissioner.

[F. R. Doc. 48-6170; Filed, July 12, 1948; 8:47 a. m.]

TITLE 31—MONEY AND FINANCE: TREASURY

Subtitle A—Office of the Secretary of the Treasury

PART 11—CUSTOMHOUSE BROKERS

BOOKS AND PAPERS

Section 11.8 (b) (8) is hereby amended to read as follows:

§ 11.8 *Books and papers.* * * *

(b) *Requirements.* * * *

(8) The agent making any investigation contemplated by the preceding subparagraph shall report his findings in full to the Commissioner of Customs and the collector of customs.

(Sec. 641, 46 Stat. 759, Secs. 3-5, 49 Stat. 864, 865; 19 U. S. C. 1641)

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 48-6186; Filed, July 12, 1948; 8:51 a. m.]

TITLE 34—NAVY

Chapter I—Department of the Navy

PART 1—AUTHORITY, GENERAL ORGANIZATION AND FUNCTIONS OF THE NAVAL ESTABLISHMENT

MISCELLANEOUS AMENDMENTS

1. Effective September 1, 1948, amend § 1.20 (a) under "District and Headquarters" to read as follows:

§ 1.20 *Naval Districts.* * * *

(a) *Geographical limits and headquarters.*

DISTRICT AND HEADQUARTERS

No. 1: Maine, New Hampshire, Vermont, Massachusetts and Rhode Island (including Block Island)—Boston, Mass.

No. 3: Connecticut, New York, northern part of New Jersey including county of Monmouth, and all counties north thereof except Mercer, also the Nantucket Shoals Lightship—New York, N. Y.

No. 4: Pennsylvania, southern part of New Jersey, including counties of Mercer, Burlington, Ocean, and all counties south thereof; Delaware, including Winter Quarter Shoal Light Vessel—Philadelphia, Pa.

No. 5: Maryland less Anne Arundel, Prince Georges, Montgomery, St. Marys, Calvert, and Charles counties; West Virginia; Virginia less Arlington, Fairfax, Stafford, King George, Prince William and Westmoreland counties, and City of Alexandria, Va.; also the Diamond Shoal Lightship and all waters of Chesapeake Bay including its arms and

tributaries except waters within the Fourth Naval District and the counties comprising the Potomac River and Severn River Naval Commands west of a line extending from Smith Point to Point Lookout thence following the general contour of the shore line of St. Marys, Calvert, and Anne Arundel counties, as faired by straight lines from headland to headland across rivers and estuaries—Naval Base, Norfolk, Va.

No. 6: South Carolina, Georgia, North Carolina, Florida, Alabama, Mississippi, Tennessee—Charleston, S. C.

No. 8: Louisiana, Arkansas, Oklahoma, Texas—New Orleans, La.

No. 9: Ohio, Michigan, Kentucky, Indiana, Illinois, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas, Colorado, Wyoming—Great Lakes, Ill.

No. 10: Beginning at Latitude 25°00′ N., Longitude 72°00′ W.; thence to a point on the north coast of Cuba in Latitude 22°47′ N., Longitude 79°47′ W., thence westerly around shore of western Cuba and easterly along shore to Cienfuegos Light in Latitude 22°02′ N,. Longitude 80°27′ W.; thence south to Latitude 18°05′ N., Longitude 80°27′ W., thence to Punta de Gallinas, Colombia, thence along international boundaries to include all Venezuela, British Guiana, Surinam and French Guiana, to and including eastern boundary of French Guiana, thence east true to a point in approximate Latitude 4°20′ N., Longitude 50°20′ W., thence to Latitude 25°00′ N., Longitude 65°00′ W., and thence to the point of origin. The land areas of the Isle of Pines and other small coastal islands of Cuba are also placed in the Tenth Naval District—San Juan, P. R.

No. 11: New Mexico, Arizona, Clark County, Nevada, southern part of California, including counties of Santa Barbara, Kern and San Bernardino, and all counties south thereof—San Diego, Calif.

No. 12: Utah, Nevada (except Clark County), northern part of California, including counties of San Luis Obispo, Kings, Tulare, Inyo, and all counties north thereof—San Francisco, Calif.

No. 13: Washington, Oregon, Idaho, Montana—Seattle, Wash.

No. 14: Hawaiian Islands and islands to westward, including Midway, Wake, Kure, Johnston and Sand Islands and Kingman Reef—Pearl Harbor, T. H.

No. 15: Panama Canal Zone—Balboa.

No. 17: Alaska and Aleutians—Kodiak, Alaska.

2. Amend § 1.21 (b) (9) by deleting the number "7".

3. Effective July 1, 1948, amend § 1.21 (b) (8) by deleting the words "Gulf Sea Frontier"; amend § 1.21 (j) by deleting the last sentence in the second paragraph.

4. Amend document published in FEDERAL REGISTER dated June 19, 1948, by changing amending paragraph 6 to read as follows: "Amend § 1.4 by renumbering §§ 1.4 (c) (1)–(14), §§ 1.4 (d) (1)–(17), and §§ 1.4 (e) (1)–(3) to read §§ 1.4 (b) (7)–(40)."

5. In amending paragraph 11, first sentence, change "(18)" to "(19)".

6. In amending paragraph 12, first sentence, change "(23)" to "(24)".

7. In amending paragraph 13, first sentence, change "(24)" to "(25)".

(R. S. 415; 5 U. S. C. 411)

W. JOHN KENNEY,
Acting Secretary of the Navy.

[F. R. Doc. 48-6174; Filed, July 12, 1948; 8:48 a. m.]

TITLE 39—POSTAL SERVICE

Chapter I—Post Office Department

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

WITHDRAWAL AND CHANGE OF ADDRESS

In § 127.34 *Recall and change of address*, of Subpart A, (13 F. R. 905), make the following change:

Amend the proviso (2) in paragraph (a) to read as follows:

(2) In case it has been dispatched from the United States and not delivered to the addressee, that (i) the legislation of the country of destination of the article allows such a change of address or withdrawal, (ii) the article does not contain prohibited items, and (iii) the customs examination does not reveal any irregularity.

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

WALTER MYERS,
Acting Postmaster General.

[F. R. Doc. 48-6172; Filed, July 12, 1948; 8:48 a. m.]

PART 127—INTERNATIONAL POSTAL SERVICE: POSTAGE RATES, SERVICE AVAILABLE, AND INSTRUCTIONS FOR MAILING

CLAIMS FOR INDEMNITY

In § 127.100 *General information and instructions*, of Subpart C, (13 F. R. 924), make the following change:

Amend paragraph (c), *Claims for indemnity*, by addition of a new subparagraph (4) reading as follows:

(4) The report from the addressee on which the claim is based should accompany the claim.

(R. S. 161, 396, 398, secs. 304, 309, 42 Stat. 24, 25, 48 Stat. 943; 5 U. S. C. 22, 369, 372)

WALTER MYERS,
Acting Postmaster General.

[F. R. Doc. 48-6171; Filed, July 12, 1948; 8:47 a. m.]

TITLE 43—PUBLIC LANDS: INTERIOR

Chapter I—Bureau of Land Management, Department of the Interior

PART 162—LIST OF ORDERS CREATING AND MODIFYING GRAZING DISTRICTS OR AFFECTING PUBLIC LANDS IN SUCH DISTRICTS

ARIZONA GRAZING DISTRICTS NOS. 2 AND 3

CROSS REFERENCE: For order affecting the tabulation contained in § 162.1, see Public Land Order 492 in the Appendix, *infra*, which takes precedence over, but does not modify the withdrawal orders of March 6, 1936 and July 30, 1941, establishing Arizona Grazing Districts Nos. 2 and 3.

Appendix—Public Land Orders

[Public Land Order 492]

ARIZONA

WITHDRAWING PUBLIC LANDS FOR USE OF THE DEPARTMENT OF THE ARMY FOR FLOOD CONTROL PURPOSES

By virtue of the authority vested in the President and pursuant to Executive Order No. 9337 of April 24, 1943, it is ordered as follows:

Subject to valid existing rights, the public lands in the following-described areas are hereby withdrawn from all forms of appropriation under the public-land laws, including the mining and mineral-leasing laws, and reserved for use in the construction of the Alamo Dam and Reservoir on the Bill Williams River under the supervision of the Department of the Army as authorized by the act of December 22, 1944 (58 Stat. 887):

GILA AND SALT RIVER MERIDIAN

T. 11 N., R. 11 W.,
Sec. 7, lot 4, SE¼SW¼;
Sec. 18, lot 1, NE¼NW¼.
T. 11 N., R. 12 W.,
Sec. 4, lots 2, 3 and 4, SW¼NE¼, S½NW¼, W½SE¼, SW¼;
Sec. 5, lot 1, SE¼NE¼, E½SE¼;
Sec. 7, SE¼NE¼, SE¼, E½SW¼, lots 3 and 4;
Sec. 8, E½, S½NW¼, SW¼;
Sec. 9;
Sec. 10, S½ and S½NW¼;
Sec. 11, S½S½;
Sec. 12, S½S½;
Sec. 13, N½, N½SW¼ and NW¼SE¼;
Sec. 14, N½ and E½SE¼;
Sec. 15, N½, N½S½, SW¼SE¼, SW¼SW¼;
Sec. 16, N½, N½SE¼, SE¼SE¼, W½SW¼, SE¼SW¼;
Secs. 17, 18 and 19;
Sec. 20, N½ and N½SW¼;
Sec. 21, NW¼;
Sec. 29, SW¼ and SW¼SE¼;
Sec. 30;
Sec. 31, lots 1, 2 and 3, NE¼, E½NW¼, N½SE¼, NE¼SW¼;
Sec. 32, NW¼ and N½SW¼.
T. 12 N., R. 12 W. (unsurveyed),
Sec. 19, E½ and SE¼SW¼;
Sec. 20, NW¼NW¼ and SW¼SW¼;
Sec. 28, W½SW¼;
Sec. 29, S½, W½NW¼ and SE¼NW¼;
Sec. 30, E½, E½NW¼ and NE¼SW¼;
Sec. 31, NE¼NE¼;
Sec. 32, N½, N½SE¼ and SE¼SE¼;
Sec. 33, W½ and W½E½.
T. 10 N., R. 13 W.,
Sec. 1, lot 4, SW¼NW¼, NW¼SW¼;
Sec. 2, lots 1, 2, 3 and 4, S½N½, SE¼, N½SW¼, SE¼SW¼;
Sec. 3;
Sec. 4, SE¼ and E½SW¼;
Sec. 9, NE¼ and E½NW¼;
Sec. 10, N½NW¼ and NW¼NE¼;
Sec. 11, NE¼NE¼.
T. 11 N., R. 13 W.,
Sec. 12, S½SE¼, NE¼SE¼ and SE¼SW¼;
Sec. 13;
Sec. 14, SE¼, S½NE¼ and SE¼SW¼;
Sec. 22, SE¼ and S½SW¼;
Sec. 23, E½, E½NW¼, SW¼NW¼, SW¼;
Secs. 24, 25 and 26;
Sec. 27, E½ and E½W½;
Sec. 34, E½, E½W½, W½SW¼;
Sec. 35;
Sec. 36, N½, N½S½, S½SW¼.

The areas described, including both public and nonpublic lands, aggregate 19,403.12 acres.

This order shall take precedence over but shall not modify the withdrawal orders of March 6, 1936 and July 30, 1941, establishing Arizona Grazing Districts Nos. 2 and 3 so far as these orders affect the above-described lands.

This order shall be subject to the withdrawal of February 19, 1927, Federal Power Commission Project No. 767.

It is intended that the lands described herein shall be returned to the administration of the Department of the Interior when they are no longer needed for the purpose for which they are reserved.

C. GIRARD DAVIDSON,
Assistant Secretary of the Interior.

JULY 2, 1948.

[F. R. Doc. 48-6167; Filed, July 12, 1948; 8:47 a. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

Chapter II—Office of Defense Transportation

PART 500—CONSERVATION OF RAIL EQUIPMENT

SHIPMENTS OF APPLES

CROSS REFERENCE: For an exception to the provisions of § 500.72, see Part 520 of this chapter, *infra.*

[Gen. Permit ODT 18A, Rev. 24C]

PART 520—CONSERVATION OF RAIL EQUIPMENT; EXCEPTIONS, PERMITS AND SPECIAL DIRECTIONS

SHIPMENT OF APPLES

Pursuant to Title III of the Second War Powers Act, 1942, as amended, Executive Order 8989, as amended, Executive Order 9729, as amended, Executive Order 9919, and General Order ODT 18A, Revised, as amended, it is hereby ordered, that:

§ 520.524. *Shipments of apples.* Notwithstanding the restrictions contained in § 500.72 of General Order ODT 18A, Revised, as amended (11 F. R. 8229, 8829, 10616, 13320, 14172; 12 F. R. 1034, 2386; 13 F. R. 2971), or in Items 150 or 155 of Special Direction ODT 18A-2A, as amended (9 F. R. 118, 4247, 13008; 10 F. R. 2523, 3470, 14906; 11 F. R. 1358, 13793, 14114; 12 F. R. 8025; 13 F. R. 1831, 3208, 3763), any person may offer for transportation and any rail carrier may accept for transportation at point of origin, forward from point of origin, or load and forward from point of origin, any carload freight consisting of apples:

(a) When the origin of such freight is in the States of Kansas or Missouri, or is any point or place east of a line consisting of the eastern boundary of the State of Minnesota and the Mississippi River south to New Orleans, Louisiana, such freight is packed in boxes, and the quantity loaded in each car is not less than 30,000 pounds; or

(b) When the origin of such freight is in the States of Kansas or Missouri, or is any point or place east of a line consisting of the eastern boundary of the State of Minnesota and the Mississippi River south to New Orleans, Louisiana, such freight is packed in bushel baskets, and each car is loaded to an elevation of not less than four complete tiers of such baskets, each tier extending the full length of the car, and when loaded the entire floor space of the car is occupied; or

(c) When the origin is any point or place in the States of California, Oregon or Washington and such freight is packed in boxes, the quantity loaded in each car is not less than 35,000 pounds, or if such freight consists of Gravenstein apples packed in baskets, the quantity loaded in each car is not less than 30,000 pounds.

This General Permit, ODT 18A, Revised-24C shall become effective July 9, 1948, and shall expire November 15, 1948.

(54 Stat. 676, 55 Stat. 236, 56 Stat. 177, 58 Stat. 827, 59 Stat. 658, 60 Stat. 345, Pub. Laws 395, 606, 80th Cong.; 61 Stat. 34, 321; 50 U. S. C. App. 633, 645, 1152; E. O. 8989, Dec. 18, 1941, 6 F. R. 6725; E. O. 9389, Oct. 18, 1943, 8 F. R. 15183; E. O. 9729, May 23, 1946, 11 F. R. 5641; E. O. 9919, Jan. 3, 1948, 13 F. R. 59)

Issued at Washington, D. C., this 8th day of July 1948.

J. M. JOHNSON,
Director,
Office of Defense Transportation.

[F. R. Doc. 48-6185; Filed, July 12, 1948; 8:51 a. m.]

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Production and Marketing Administration

[7 CFR, Part 51]

UNITED STATES STANDARDS FOR ORANGES

NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the United States Department of Agriculture is considering the issuance of United States Standards for Oranges to supersede United States Standards for Citrus Fruits (12 F. R. 6277) currently in effect, insofar as such United States Standards for Citrus Fruits apply to oranges. The standards are proposed to become effective during September 1948 under the authority contained in the Department of Agriculture Appropriation Act, 1949 (Pub. Law 712, 80th Cong., 2nd Sess., approved June 19, 1948).

All persons who desire to submit written data, views, or arguments for consideration in connection with the proposed standards shall file the same with M. W. Baker, Room 2077, South Building, Fruit and Vegetable Branch, Production and Marketing Administration, United States Department of Agriculture, Washington 25, D. C., not later than 5:30 p. m., e. s. t., on the 30th day after publication of this notice in the FEDERAL REGISTER.

The proposed standards are as follows:

§ 51.192 *Oranges*—(a) *General.* (1) These standards apply only to the common or sweet orange group and varieties belonging to the Mandarin group, except tangerines. These standards do not apply to tangerines or to California and Arizona oranges for which separate U. S. Standards are issued. The U. S. Combination and the U. S. Combination Russet grades do not apply to Florida oranges.

(2) The tolerances for the standards are on a contained basis. However, individual packages in any lot may vary from the specified tolerances as stated below, provided the average for the entire lot, based on sample inspection, are within the tolerances specified.

(3) For a tolerance of 10 percent or more, individual packages in any lot may contain not more than one and one-half times the tolerance specified, provided that when the package contains 10 pounds or less, individual packages are not restricted as to the percentage of defects; provided further, that the lot averages within the percentage specified.

(4) For a tolerance of less than 10 percent, individual packages in any lot may contain not more than double the tolerance specified, provided that when the package contains 10 pounds or less, individual packages are not restricted as to the percentage of defects except that not more than one decayed or very seriously damaged fruit shall be permitted in any package; provided further, that the lot averages within the percentage specified.

(b) *Grades*—(1) *U. S. Fancy.* U. S. Fancy shall consist of oranges of similar varietal characteristics which are well colored, firm, well formed, mature, and of smooth texture; free from ammoniation, bird pecks, bruises, backskin, creasing, cuts which are not healed, decay, growth cracks, scab, split navels, sprayburn, and undeveloped or sunken segments, from injury by green spots or oil spots, pitting, rough and excessively wide or protruding navels, scale, scars, thorn scratches, and from damage caused by dirt or other foreign materials, dryness or mushy condition, sprouting, sunburn, riciness or woodiness of the flesh, disease, insects, or mechanical or other means.

(i) In this grade not more than one-tenth of the surface in the aggregate may be affected with discoloration.

(ii) See tolerances for defects. (Paragraph (d) of this section.)

(iii) In addition to the foregoing requirements, Florida oranges of this grade

shall meet the internal quality specifications of U. S. Grade A Juice. (See Standards for Internal Quality of Common Sweet Oranges.)

(2) *U. S. No. 1.* U. S. No. 1 shall consist of oranges of similar varietal characteristics which are firm, well formed, mature, and of fairly smooth texture; free from bruises, cuts which are not healed, decay, growth cracks, sprayburn, undeveloped or sunken segments, and from damage caused by ammoniation, bird pecks, buckskin, creasing, dirt or other foreign materials, dryness or mushy condition, green spots or oil spots, pitting, scab, scale, scars, split or rough or protruding navels, sprouting, sunburn, thorn scratches, riciness or woodiness of the flesh, disease, insects or mechanical or other means.

(i) Oranges of the early and midseason varieties shall be fairly well colored.

(ii) With respect to Valencia and other late varieties, not less than 50 percent, by count, of the oranges shall be fairly well colored and the remainder reasonably well colored.

(iii) In this grade not more than one-third of the surface in the aggregate may be affected with discoloration.

(iv) See tolerances for defects. (Paragraph (d) of this section.)

(v) In addition to the foregoing requirements, Florida oranges of this grade shall meet the internal quality specifications of U. S. Grade A Juice. (See Standards for Internal Quality of Common Sweet Oranges.)

(3) *U. S. No. 1 Bright.* The requirements for this grade are the same as for U. S. No. 1 except that no fruit may have more than one-tenth of its surface in the aggregate affected with discoloration.

(i) See tolerances for defects. (Paragraph (d) of this section.)

(4) *U. S. No. 1 Golden.* The requirements for this grade are the same as for U. S. No. 1 except that not more than 30 percent, by count, of the fruits shall have in excess of one-third of the surface in the aggregate affected with discoloration.

(i) See tolerances for defects. (Paragraph (d) of this section.)

(5) *U. S. No. 1 Bronze.* The requirements for this grade are the same as for U. S. No. 1 except that more than 30 percent but not more than 75 percent, by count, of the fruits shall have in excess of one-third of the surface in the aggregate affected with discoloration; *Provided,* That when the predominating discoloration on each of 75 percent or more, by count, of the fruits is caused by rust mite, all fruits may have in excess of one-third of the surface affected with discoloration.

(i) See tolerances for defects. (Paragraph (d) of this section.)

(6) *U. S. No. 1 Russet.* The requirements for this grade are the same as for U. S. No. 1 except that more than 75 percent, by count, of the fruits shall have in excess of one-third of the surface in the aggregate affected with discoloration.

(i) See tolerances for defects. (Paragraph (d) of this section.)

(7) *U. S. No. 2.* U. S. No. 2 shall consist of oranges of similar varietal characteristics which are mature, fairly firm, well formed, not more than slightly rough, and which are free from bruises, cuts which are not healed, decay, growth cracks, and are free from serious damage caused by ammoniation, bird pecks, buckskin, creasing, dirt or other foreign materials, dryness or mushy condition, green spots or oil spots, pitting, scab, scale, scars, split or rough or protruding navels, sprayburns, sprouting, sunburn, thorn scratches, undeveloped or sunken segments, ricines or woodiness of the flesh, disease, insects, mechanical or other means.

(i) Each orange of this grade shall be reasonably well colored.

(ii) In this grade not more than one-half of the surface in the aggregate, may be affected with discoloration.

(iii) See tolerances for defects. (paragraph (d) of this section.)

(iv) In addition to the foregoing requirements, Florida oranges of this grade shall meet the internal specifications of U. S. Grade A Juice. (See Standards for Internal Quality of Common Sweet Oranges.)

(8) *U. S. No. 2 Bright.* The requirements for this grade are the same as for U. S. No. 2 except that no fruit may have more than one-tenth of its surface in the aggregate affected with discoloration.

(i) See tolerances for defects. (Paragraph (d) of this section.)

(9) *U. S. No. 2 Russet.* The requirements for this grade are the same as for U. S. No. 2 except that more than 10 percent, by count, of the fruit shall have in excess of one-half of the surface in the aggregate affected with discoloration.

(i) See tolerances for defects. (Paragraph (d) of this section.)

(10) *U. S. No. 3.* U. S. No. 3 shall consist of oranges of similar varietal characteristics which are mature; which may be misshapen, slightly spongy, rough but not seriously lumpy for the variety or seriously cracked; which are free from cuts which are not healed and from decay; and from very serious damage caused by bruises, growth cracks, ammoniation, bird pecks, caked melanose, buckskin, creasing, dryness or mushy condition, pitting, scab, scale, split navels, sprayburn, sprouting, sunburn, thorn punctures, riciness or woodiness of the flesh, disease, insects, mechanical or other means.

(i) Each fruit may be poorly colored but not more than 25 percent of the surface of each fruit may be a solid dark green color.

(ii) See tolerances for defects (Paragraph (d) of this section.)

(iii) In addition to the foregoing requirements, Florida oranges of this grade shall meet the internal specifications of U. S. Grade A Juice. (See Standards for Internal Quality of Common Sweet Oranges.)

(11) *U. S. Combination Grade.* Any lot of oranges may be designated "U. S. Combination" when not less than 50 percent, by count of the fruit in each container meet the requirements of U. S. No. 1 grade, and each of the remainder of the oranges, in addition to meeting all other requirements of the U. S. No. 2 grade, shall be well formed, shall have not more than one-half of the surface, in the aggregate, affected with discoloration, and shall meet the following requirements for color:

In this grade, the U. S. No. 2 oranges of early and midseason varieties shall be fairly well colored, and those of the Valencia and other late varieties shall be reasonably well colored.

(i) See tolerances for defects. (Paragraph (d) of this section.)

(12) *U. S. Combination Russet Grade.* Any lot of oranges may be designated "U. S. Combination Russet" when not less than 50 percent, by count, of the fruits in each container meet the requirements of U. S. No. 1 grade and the remainder U. S. No. 2 grade except that in this combination grade each fruit shall have in excess of one-third of the surface, in the aggregate, affected with discoloration.

(i) See tolerances for defects. (Paragraph (d) of this section.)

(c) *Unclassified.* Unclassified shall consist of oranges which have not been classified in accordance with any of the foregoing grades. The term "unclassified" is not a grade within the meaning of these standards but is provided as a designation to show that no definite grade has been applied to the lot.

(d) *Tolerances for defects.* In order to allow for variations incident to proper grading and handling in each of the foregoing grades, the following tolerances are provided as specified:

(1) *U. S. Fancy Grade.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of this grade, but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage, and not more than one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided,* That a total tolerance of not more than 3 percent shall be allowed for decay en route or at destination. None of the foregoing tolerances shall apply to wormy fruit.

(2) *U. S. No. 1 Grade.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of this grade other than for discoloration but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage, and not more than one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided,* That a total tolerance of not more than 3 percent shall be allowed for decay en route or at destination. In addition, not more than 20 percent, by count, of the fruits in any container may have discoloration in excess of one-third of the fruit surface, but not more than one-fourth of this tolerance, or 5 percent, shall be allowed for discoloration in excess of one-half of the fruit surface. None of the foregoing tolerances shall apply to wormy fruit.

(3) *U. S. No. 1 Bright and U. S. No. 2 Bright Grades.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of the grade other than for discoloration but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage, and not more than

one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided*, That a total tolerance of not more than 3 percent shall be allowed for decay enroute or at destination. In addition, not more than 10 percent, by count, of the fruits in any container may not meet the requirements relating to discoloration. None of the foregoing tolerances shall apply to wormy fruit.

(4) *U. S. No. 1 Golden and U. C. No. 1 Bronze Grades.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of the grade, but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage, and not more than one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided*, That a total tolerance of not more than 3 percent shall be allowed for decay enroute or at destination. No part of any tolerance shall be allowed to reduce or to increase the percentage of fruits having in excess of one-third of the surface in the aggregate affected with discoloration which is required in the grade, but individual containers may vary not more than 10 percent from the percentage required: *Provided*, That the entire lot averages within the percentage specified. None of the foregoing tolerances shall apply to wormy fruit.

(5) *U. S. No. 1 Russet Grade.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of this grade but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage, and not more than one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided*, That a total tolerance of not more than 3 percent shall be allowed for decay enroute or at destination. No part of any tolerance shall be allowed to reduce the percentage of fruits having in excess of one-third of the surface, in the aggregate, affected with discoloration which is required in this grade, but individual containers may have not more than 10 percent less than the percentage required: *Provided*, That the entire lot averages within the percentage specified. None of the foregoing tolerances shall apply to wormy fruit.

(6) *U. S. No. 2 Grade.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of this grade other than for discoloration but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage other than by dryness or mushy condition, and not more than one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided*, That a total tolerance of not more than 3 percent shall be allowed for decay enroute or at destination. In addition, not more than 10 percent, by count, of the fruits in any container may not meet the requirements relating to discoloration. None of the foregoing tolerances shall apply to wormy fruit.

(7) *U. S. No. 2 Russet Grade.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of this grade but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage other than by dryness or mushy condition, and not more than one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided*, That a total tolerance of not more than 3 percent shall be allowed for decay enroute or at destination. No part of any tolerance shall be allowed to reduce the percentage of fruits having in excess of one-half of the surface, in the aggregate, affected with discoloration which is required in this grade, but individual containers may have not more than 10 percent less than the percentage required: *Provided*, That the entire lot averages within the percentage specified. None of the foregoing tolerances shall apply to wormy fruit.

(8) *U. S. No. 3 Grade.* Not more than 15 percent, by count, of the fruits in any container may be below the requirements of this grade but not more than one-third of this tolerance, or 5 percent, shall be allowed for defects other than dryness or mushy condition, and not more than one-fifth of this amount, or 1 percent, shall be allowed for decay at shipping point: *Provided*, That a total tolerance of not more than 3 percent shall be allowed for decay enroute or at destination. None of the foregoing tolerances shall apply to wormy fruit.

(9) *U. S. Combination Grade.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of this grade other than for discoloration but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage other than by dryness or mushy condition, and not more than one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided*, That a total tolerance of not more than 3 percent shall be allowed for decay enroute or at destination. In addition, not more than 10 percent, by count, of the fruits in any container may have more than the amount of discoloration specified. No part of any tolerance shall be allowed to reduce for the lot as a whole the percentage of U. S. No. 1 required in the combination, but individual containers may have not more than a total of 10 percent less than the percentage of U. S. No. 1 required or specified: *Provided*, That the entire lot averages within the percentage specified. None of the foregoing tolerances shall apply to wormy fruit.

(10) *U. S. Combination Russet Grade.* Not more than 10 percent, by count, of the fruits in any container may be below the requirements of this grade other than for discoloration but not more than one-half of this tolerance, or 5 percent, shall be allowed for very serious damage other than by dryness or mushy condition, and not more than one-twentieth of the tolerance, or one-half of one percent, shall be allowed for decay at shipping point: *Provided*, That a total tolerance of not more than 3 percent shall be allowed for decay enroute, or at destination. In addition, not more than 20 percent, by count, of the fruits in any container may have less than one-third discoloration. No part of any tolerance shall be allowed to reduce for the lot as a whole, the percentage of U. S. No. 1 except for discoloration required in the combination, but individual containers may have not more than a total of 10 percent less than the percentage of U. S. No. 1 except for discoloration required or specified: *Provided*, That the entire lot averages within the percentage specified. None of the foregoing tolerances shall apply to wormy fruit.

(e) *Standard pack for oranges except Temple variety.* (1) Fruit shall be fairly uniform in size, unless specified as uniform in size, and when packed in boxes, shall be arranged according to the approved and recognized methods. When wrapped, each fruit shall be enclosed in its individual wrapper and show at least one-half twist, except that in packs of oranges of a size 250 and smaller, only fruit in the top and bottom layers and fruit exposed at the sides of the box shall be required to be wrapped.

(2) All packages shall be tightly packed and well filled but the contents shall not show excessive or unnecessary bruising because of overfilled packages.

(3) When packed in standard nailed boxes, each container shall show a minimum bulge of 1¼ inches.

(4) "Fairly uniform in size" means that not more than a total of 10 percent, by count, of the fruit in any container is outside the range given below for various packs:

DIAMETER IN INCHES

Pack	Minimum	Maximum
96's	3 5/16	3 13/16
126's	3 3/16	3 9/16
150's	3	3 5/16
176'	2 15/16	3 1/16
200's	2 13/16	3 1/16
216's	2 9/16	3
250's	2 5/16	2 11/16
288's	2 5/16	2 13/16
324's	2 1/16	2 9/16

(5) "Uniform in size" means that not more than 10 percent, by count, of the fruits in any container vary more than the following amounts:

150 size and smaller—not more than 1/16 inch in diameter.

126 size and larger—not more than 5/16 inch in diameter.

(6) In order to allow for variations, other than sizing, incident to proper packing, not more than 5 percent of the packages in any lot may not meet the requirements of standard pack.

(f) *Definitions.* (1) "Similar varietal characteristics" means that the fruits in any container are similar in color and shape.

(2) "Well colored" means that the fruit is yellow or orange in color with practically no trace of green color.

(3) "Firm" as applied to common oranges, means that the fruit is not soft, or noticeably wilted or flabby; as applied to oranges of the Mandarin Group (Satsumas, King, Mandarin), means that the fruit is not extremely puffy, although the skin may be slightly loose.

(4) "Well formed" means that the fruit has the shape characteristic of the variety.

(5) "Smooth texture" means that the skin is thin and smooth for the variety and size of the fruit.

(6) "Injury" means any defect or blemish which more than slightly affects the appearance, edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect shall be considered as injury:

(i) Green spots or oil spots, when appreciably affecting the appearance of the individual fruit.

(ii) Rough and excessively wide or protruding navels, when protruding beyond the general contour of the orange; or when flush with the general contour but with the opening so wide, considering the size of the fruit, and the navel growth so folded and ridged that it detracts noticeably from the appearance of the orange.

(iii) Scale, when more than a few adjacent to the "button" at the stem end, or when more than 6 scattered on other portions of the fruit.

(iv) Scars which are depressed, not smooth, or which detract from the appearance of the fruit to a greater extent than the maximum amount of discoloration allowed in the grade.

(v) Thorn scratches, when the injury is not slight, not well healed, or more unsightly than discoloration allowed in the grade.

(7) "Discoloration" means russeting of a light shade of golden brown caused by rust mite or other means. Lighter shades of discoloration caused by superficial scars or other means may be allowed on a greater area, or darker shades may be allowed on a lesser area, provided no discoloration caused by melanose or other means may affect the appearance of the fruit to a greater extent than the shade and amount of discoloration allowed for the grade.

(8) "Fairly smooth texture" means that the skin is fairly thin and not coarse for the variety and size of the fruit.

(9) "Damage" means any defect or injury which materially affects the appearance, or edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect shall be considered as damage:

(i) Ammoniation, when not occurring as light speck type similar to melanose.

(ii) Creasing, when causing the skin to be materially weakened.

(iii) Dryness or mushy condition, when affecting all segments of common oranges more than one-fourth inch at the stem end, or all segments of varieties of the Mandarin Group more than one-eighth inch at the stem end, or more than the equivalent of these respective amounts, by volume, when occurring in other portions of the fruit.

(iv) Green spots or oil spots, when materially affecting the appearance of the individual fruit.

(v) Scab, when it cannot be classed as discoloration, or appreciably affects shape or texture.

(vi) Scale, when it materially affects the appearance of the fruit.

(vii) Scars which are deep.

(viii) Scars which are shallow or fairly shallow and detract from the appearance of the fruit to a greater extent than the amount of discoloration allowed in the grade.

(ix) Scars which are not smooth.

(x) Split or rough or protruding navels, when any split is unhealed, or more than three well-healed splits at the navel, or any split which is more than one-fourth inch in length, or three-cornered, star-shaped, or other irregular navels when the opening is so wide, considering the size of the orange, and the navel growth so folded and ridged that it detracts materially from the appearance of the orange; or navels which flare, bulge, or protrude beyond the general contour of the orange to the extent that they are subject to mechanical injury in the process of proper grading, handling and packing.

(xi) Sunburn, when the area affected exceeds 25 percent of the fruit surface, or when the skin is appreciably flattened, dry, darkened, or hard.

(xii) Thorn scratches, when the injury is not well healed, or concentrated light colored thorn injury which has caused an area of more than an average of one-fourth inch in diameter of the skin to become hard, or slight scratches when light colored and concentrated and averaging more than 1 inch in diameter, or dark or scattered thorn injury which detracts from the appearance of the fruit to a greater extent than the amounts specified above.

(xiii) Riciness or woodiness, when the flesh of the fruit is so ricey or woody that excessive pressure by hand is required to extract the juice.

(10) "Fairly well colored" means that except for one inch in the aggregate of green color, the yellow or orange color predominates over the green color on that part of the fruit which is not discolored.

(11) "Reasonably well colored" means that the yellow or orange color predominates over the green color on at least two-thirds of the fruit surface, in the aggregate, which is not discolored.

(12) "Fairly firm" as applied to common oranges, means that the fruit may be slightly soft, but not bruised; as applied to oranges of the Mandarin Group (Satsumas, King, Mandarin) means that the skin of the fruit is not extremely puffy or extremely loose.

(13) "Slightly rough texture" means that the skin is not of smooth texture but is not materially ridged, grooved, or wrinkled.

(14) "Serious damage" means any defect or injury which seriously affects the appearance, or edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect shall be considered as serious damage:

(i) Ammoniation, when scars are cracked, or when dark and aggregating more than three-fourths inch in diameter or when light colored and aggregating more than 1¼ inches in diameter.

(ii) Buckskin, when aggregating more than 25 percent of the fruit surface or the fruit texture is seriously affected.

(iii) Creasing, when so deep or extensive that the skin is seriously weakened.

(iv) Dryness or mushy condition, when affecting all segments of common oranges more than one-half inch at the stem end, or all segments of varieties of the Mandarin Group more than one-fourth inch at the stem end, or more than the equivalent of these respective amounts, by volume, when occurring in other portions of the fruit.

(v) Green spots or oil spots, when seriously affecting the appearance of the individual fruit.

(vi) Scab, when it cannot be classed as discoloration, or when materially affecting shape or texture.

(vii) Scale, when it seriously affects the appearance of the individual fruit.

(viii) Scars which are very deep.

(ix) Scars which are not very deep but which detract from the appearance of the fruit to a greater extent than the amount of discoloration allowed in the grade.

(x) Scars which are not fairly smooth.

(xi) Split or rough or protruding navels, when any split is unhealed, or one well healed split at each corner of irregular navels when any one is more than one-half inch in length, or when aggregating more than 1 inch in length, or when more than four in number; or navels which protrude beyond the general contour of the orange to the extent that they are subject to mechanical injury during the process of proper grading, handling and packing; or irregular navels when the opening is so wide, considering the size of the orange, and the navel growth so badly folded and ridged that it detracts seriously from the appearance of the orange.

(xii) Sprayburn which seriously affects the appearance of the fruit or is hard, or when more than 1¼ inches in diameter in the aggregate has a light brown discoloration.

(xiii) Sunburn, which affects more than one-third of the fruit surface, or is hard, or the fruit is decidedly one-sided, or when more than 1¼ inches in diameter in the aggregate has a light brown discoloration.

(xiv) Thorn scratches, when injury is not well healed, or concentrated light colored thorn injury which has caused an area of more than an average of one-half inch in diameter of the skin to become hard, or slight scratches when light colored and concentrated, averaging more than 1½ inches in diameter, or dark or scattered thorn injury which detracts from the appearance of the fruit to a greater extent than the amounts specified above.

(xv) Undeveloped or sunken segments, in navel oranges, when such segments are so sunken or undeveloped that they are readily noticeable.

(xvi) Riciness or woodiness, when the flesh of the fruit is so ricey or woody that excessive pressure by hand is required to extract the juice.

(15) "Misshapen" means that the fruit is decidedly elongated, pointed or flat-sided.

(16) "Slightly spongy" means that the fruit is puffy or slightly wilted but not flabby.

(17) "Very serious damage" means any defect or injury which very seriously affects the appearance, or edible or shipping quality of the fruit. Any one of the following defects, or any combination of defects, the seriousness of which exceeds the maximum allowed for any one defect shall be considered as very serious damage:

(i) Growth cracks that are seriously weakened, gummy or not healed.

(ii) Ammoniation, when aggregating more than 2 inches in diameter, or which has caused serious cracks.

(iii) Bird pecks, when not healed.

(iv) Caked melanose, when more than 25 percent in the aggregate of the surface of the fruit is caked.

(v) Buckskin, when rough and aggregating more than 50 percent of the surface of the fruit.

(vi) Creasing, when so deep or extensive that the skin is very seriously weakened.

(vii) Dryness or mushy condition, when affecting all segments of common oranges more than one-half inch at the stem end, or all segments of varieties of the Mandarin Group more than one-fourth inch at the stem end, or more than the equivalent of these respective amounts, by volume, when occurring in other portions of the fruit.

(viii) Scab, when aggregating more than 25 percent of the surface of the fruit.

(ix) Scale, when covering more than 20 percent of the surface of the fruit.

(x) Split navels, when not healed or the fruit is seriously weakened.

(xi) Sprayburn, when seriously affecting more than one-third of the fruit surface.

(xii) Sunburn, when seriously affecting more than one-third of the fruit surface.

(xiii) Thorn punctures, when not healed or the fruit is seriously weakened.

(xiv) Riciness or woodiness, when the flesh of the fruit is so ricey or woody that excessive pressure by hand is required to extract the juice.

(g) *Standards for internal quality of common sweet oranges (Citrus Sinensis (L.) Osbeck)*—(1) *U. S. Grade AA Juice (Double A)*. Any lot of oranges, the juice content of which meets the following requirements, may be designated "U. S. Grade AA Juice (Double A)":

(i) Each lot of fruit shall contain an average of not less than 5 gallons of juice per standard packed box of one and three-fifths bushels.

(ii) The average juice content for any lot of fruit shall have not less than 10 percent total soluble solids, and not less than one-half of 1 percent anhydrous citric acid, or more than the maximum acid specified in Table I of this section.

(2) *U. S. Grade A Juice*. Any lot of oranges, the juice content of which meets the following requirements, may be designated "U. S. Grade A Juice":

(i) Each lot of fruit shall contain an average of not less than four and one-half gallons of juice per standard packed box of one and three-fifths bushels.

(ii) The average juice content for any lot of fruit shall have not less than 9 percent total soluble solids, and not less than one-half of 1 percent anhydrous citric acid, or more than the maximum acid specified in Table I of this section.

(3) *Maximum anhydrous citric acid permissible for corresponding total soluble solids*. For determining the grade of juice, the maximum permissible anhydrous citric acid content in relation to corresponding total soluble solids contained in the fruit is set forth in the following table together with the minimum ratio of total soluble solids to anhydrous citric acid:

TABLE I

Total soluble solids average percent	Maximum anhydrous citric acid average percent	Minimum ratio of total soluble solids to anhydrous citric acid
9.0	0.947	9.50–1
9.1	.963	9.45–1
9.2	.979	9.40–1
9.3	.995	9.35–1
9.4	1.011	9.30–1
9.5	1.027	9.25–1
9.6	1.043	9.20–1
9.7	1.060	9.15–1
9.8	1.077	9.10–1
9.9	1.094	9.05–1
10.0	1.111	9.00–1
10.1	1.128	8.95–1
10.2	1.146	8.90–1
10.3	1.164	8.85–1
10.4	1.182	8.80–1
10.5	1.200	8.75–1
10.6	1.218	8.70–1
10.7	1.237	8.65–1
10.8	1.256	8.60–1
10.9	1.275	8–55–1
11.0	1.294	8.50–1
11.1	1.306	8.50–1
11.2	1.318	8.50–1
11.3	1.329	8.50–1
11.4	1.341	8.50–1
11.5	1.353	8.50–1
11.6	1.365	8.50–1
11.7	1.376	8.50–1
11.8	1.388	8.50–1
11.9	1.400	8.50–1
12.0	1.412	8.50–1
12.1	1.424	8.50–1
12.2	1.435	8.50–1
12.3	1.447	8.50–1
12.4	1.459	8.50–1
12.5	1.471	8.50–1
12.6	1.482	8.50–1
12.7	1.494	8.50–1
12.8	1.506	8.50–1
12.9	1.517	8.50–1
13.0	1.530	8.50–1
13.1	1.541	8.50–1
13.2	1.553	8.50–1
13.3	1.565	8.50–1
13.4	1.576	8.50–1
13.5	1.588	8.50–1
13.6	1.600	8.50–1
13.7	1.612	8.50–1
13.8	1.624	8.50–1
13.9	1.635	8.50–1
14.0	1.647	8.50–1
14.1	1.659	8.50–1
14.2	1.671	8.50–1
14.3	1.682	8.50–1
14.4	1.694	8.50–1
14.5	1.705	8.50–1
14.6	1.718	8.50–1
14.7	1.729	8.50–1
14.8	1.741	8.50–1
14.9	1.753	8.50–1
15.0	1.765	8.50–1
15.1	1.776	8.50–1
15.2	1.788	8.50–1
15.3	1.800	8.50–1
15.4	1.812	8.50–1
15.5	1.824	8.50–1
15.6 or more		8.50–1

(4) *Method of juice extraction*. The juice used in the determination of solids, acid, and juice content shall be extracted from representative samples as thoroughly as possible with a reamer, or by hand, and shall be strained through a double thickness of gauze having 44 x 40 threads per square inch, and shall not be extracted or strained in any other manner.

Done at Washington, D. C., the 8th day of July 1948.

[SEAL] S. R. NEWELL,
Acting Assistant Administrator, Production and Marketing Administration.

[F. R. Doc. 48–6197; Filed, July 12, 1948; 8:53 a. m.]

[7 CFR, Part 51]

UNITED STATES STANDARDS FOR GRAPEFRUIT

NOTICE OF PROPOSED RULE MAKING

Correction

In Federal Register Document 48–5905, appearing at page 3699 of the issue for Friday, July 2, 1948, subparagraph (6) of paragraph (e) of § 51.191 should read:

(6) In order to allow for variations, other than sizing, incident to proper packing, not more than 5 percent of the packages in any lot may not meet the requirements of standard pack.

[7 CFR, Part 930]

HANDLING OF MILK IN TOLEDO, OHIO, MARKETNG AREA

DECISION WITH RESPECT TO PROPOSED MARKETING AGREEMENT AND TO PROPOSED ADMENDMENTS TO ORDER, AS AMENDED

Pursuant to Public Act No. 10, 73d Congress (May 12, 1933), as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (hereinafter referred to as the "act"), and the rules of practice and procedure, as amended, governing proceedings to formulate marketing agreements and orders (7 CFR, Supps., 900.1 et seq.; 12 F. R. 1159, 4904), a public hearing was held at Toledo, Ohio, on April 8 and 10, 1948, after the issuance of a notice on April 3, 1948 (F. R. Doc. 48–2960; 13 F. R. 1840).

Upon the basis of the evidence introduced at the hearing and the record thereof, the Acting Assistant Administrator, Production and Marketing Administration, on June 1, 1948, filed with the Hearing Clerk, United States Department of Agriculture his recommended decision in this proceeding. The notice of filing of such recommended decision and opportunity to file written exceptions thereto was published in the FEDERAL REGISTER on June 5, 1948 (13 F. R. 3036). No exceptions were filed.

The material issues and the findings and conclusions of the recommended decisions set forth in the FEDERAL REGISTER (F. R. Doc. 48–5016) are hereby approved and adopted as the material issues and the findings and conclusions of this decision as if set forth in full herein.

Marketing agreement and order. Annexed hereto and made a part hereof are two documents entitled, respectively, "Marketing Agreement Regulating the Handling of Milk in the Toledo, Ohio, Marketing Area," and "Order Amending

the Order, as Amended, Regulating the Handling of Milk in the Toledo Marketing Area," which have been decided upon as the appropriate and detailed means of effecting the foregoing conclusions. These documents shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure covering proceedings to formulate marketing agreements and orders have been met.

It is hereby ordered, That all of this decision, except the attached marketing agreement, be published in the FEDERAL REGISTER. The regulatory provisions of said marketing agreement are identical with those contained in the attached order which will be published with the decision.

This decision filed at Washington, D. C., this 8th day of July 1948.

[SEAL] CHARLES F. BRANNAN, *Secretary of Agriculture.*

Order, Amending the Order, as Amended, Regulating the Handling of Milk in the Toledo, Ohio, Marketing Area

§ 930.0 *Findings and determinations.* The findings and determinations hereinafter set forth are supplementary to and in addition to the findings and determinations made in connection with the issuance of this order and of each of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) *Findings upon the basis of the hearing record.* Pursuant to Public Act No. 10, 73d Congress (May 12, 1933) as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (hereinafter referred to as the "act"), and the rules of practice and procedure covering the formulation of marketing agreements and orders (7 CFR, Supps., 900.1 et seq.; 12 F. R. 1159, 4904), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Toledo, Ohio, milk marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended and as hereby further amended, and all of the terms and conditions of said order, as amended and as hereby further amended, will tend to effectuate the declared policy of the act;

(2) The prices calculated to give milk produced for sale in said marketing area a purchasing power equivalent to the purchasing power of such milk as determined pursuant to section 2 and 8e of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supplies of and demand for such milk, and the minimum prices specified in the order, as amended and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said order, as amended and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which hearings have been held.

Order relative to handling. It is therefore ordered, That on and after the effective date hereof, the handling of milk in the Toledo, Ohio, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended; and the aforesaid order, as amended, is hereby further amended as follows:

1. Amend § 930.7 (a) and (b) to read as follows:

§ 930.7 *Payment for milk*—(a) *Time and method of final payment.* On or before the 15th day after the end of each delivery period, each handler shall pay to each producer or to an association of producers, with respect to milk which was caused to be delivered to him by such association either directly or from producers who have authorized such association to collect payment for them, for milk received from each producer or from an association of producers, respectively, during such delivery period at not less than the uniform price for such handler adjusted by the butterfat differential pursuant to paragraph (c) of this section, less the amount of payment made pursuant to paragraph (b) of this section.

(b) *Partial payments.* On or before the last day of each delivery period, each handler shall pay to each producer or to an association of producers authorized to receive payment at not less than the uniform price for such handler for the preceding delivery period, for milk received from such producer or association of producers by such handler during the first 15 days of the delivery period: *Provided,* That in the event any producer discontinues shipping to such handler during the delivery period, such partial payments need not be made and full payment for all milk received from such producer during the delivery period shall be made on the 15th day after the end of the delivery period pursuant to paragraph (a) of this section.

2. Amend § 930.11 (a) to read as follows:

§ 930.11 *Application of provisions*—(a) *Milk subject to other Federal orders.* Milk received at a plant of a handler the handling of which the Secretary determines to be subject to the pricing and payment provisions of any other Federal milk marketing agreement or order issued pursuant to the act for any fluid milk marketing area shall be considered as other source milk.

[F. R. Doc. 48-6190; Filed, July 12, 1948; 8:52 a. m.]

[7 CFR, Part 983]

[Docket No. AO 191]

HANDLING OF DATES IN CALIFORNIA

NOTICE OF RECOMMENDED DECISION AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO A PROPOSED MARKETING AGREEMENT AND A PROPOSED MARKETING ORDER

Pursuant to the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders, as amended (7 CFR and Supps. 900.1 et seq.; 12 F. R. 1159, 4904), notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Assistant Administrator, Production and Marketing Administration, United States Department of Agriculture, with respect to a proposed marketing agreement and a proposed marketing order regulating the handling of dates grown in California, to be made effective pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 1946 ed. 601 et seq.; 61 Stat. 208, 707). Interested parties may file exceptions to this recommended decision with the Hearing Clerk, United States Department of Agriculture, Room 1846, South Building, Washington 25, D. C., not later than the close of business on the tenth day after publication of this recommended decision in the FEDERAL REGISTER. Exceptions should be filed in quadruplicate.

Preliminary statement. The public hearing on the record of which the proposed marketing agreement and marketing order are formulated was initiated by the Production and Marketing Administration as a result of a proposed marketing agreement and marketing order received from the Date Advisory Committee, a committee of California date growers. In accordance with the applicable provisions of the aforesaid rules of practice and procedure, a notice that a public hearing would be held at Coachella, California, beginning on April 22, 1948, to consider the proposed marketing agreement and marketing order program, was published in the FEDERAL REGISTER on April 3, 1948 (13 F. R. 1836).

Material issues. The material issues presented on the record of the hearing were:

(1) The desirability of and justification for entering into a marketing agreement and the issuance by the Secretary of a marketing order governing the handling of dates grown in California;

(2) The necessity for defining the following terms: Secretary, act, person, dates, area, district, District No. 1, District No. 2, producer, grower, packer, handler, shipper, ship, handle, fiscal period marketing season, and committee;

(3) The necessity to administer the marketing agreement and marketing order through an administrative committee and the nature of the provisions pertaining to its establishment, including, but not being limited to, the term of office of its respective members and alternate members, the manner of their selection and acceptance, their powers, duties, compensation, and obligations;

(4) Authorization for the administrative committee to incur such expenses as the Secretary may find are reasonable and are likely to be incurred for its operation; the necessity for defraying such expenses through the levying of assessments on designated handlers on a pro rata share basis but with specified types of shipments of dates exempted from such assessments; and the necessity for the administrative committee to account for such funds and to dispose of all excess funds;

(5) A requirement that, at the beginning of each marketing season, the administrative committee formulate and adopt a marketing policy and submit a report thereon to the Secretary;

(6) The regulation by the Secretary, on the basis of the administrative committee's recommendation or other available information, of the shipment of dates from California to any point outside thereof in the United States or Canada, (a) by grades, sizes, or grades and sizes, during any period when the seasonal average price of California dates does not exceed the parity level prescribed in sections 2 (1) and 8e of the Agricultural Marketing Agreement Act of 1937, as amended, and (b) by the establishment of minimum standards of quality, maturity, or quality and maturity, to be effective during any period when such seasonal average price exceeds such parity level; the requirement that, during the effective time of each such regulation, all shipments so regulated shall be inspected by the United States Department of Agriculture and copies of the inspection certificates issued with respect to such shipments shall be submitted to the administrative committee; and the authority for the Secretary to modify, suspend, or terminate any of such regulations theretofore issued and then in effect;

(7) The requirement that each handler and each packer shall, at designated intervals, furnish the administrative committee with certain reports relating to such person's acquisition and disposition of dates;

(8) The exemption of dates shipped for designated purposes, to designated recipients, or to foreign countries other than Canada from any regulations issued under this program;

(9) The necessity for the provisions of sections 7 through 19, inclusive, as published in the FEDERAL REGISTER on April 3, 1948 (13 F. R. 1836), which are generally common to marketing agreements and marketing orders, and which sections provide as follows: § 983.7, Compliance; § 983.8, Right of the Secretary; § 983.9, Effective time; suspension; termination; § 983.10, Duration of immunities; § 983.11, Agents; § 983.12, Derogation; §983.13, Personal liability; § 983.14, Separability; § 983.15, Amendments; § 983.16, Effect of termination or amendment; § 983.17, Counterparts; § 983.18, Additional parties; § 983.19, Order with marketing agreement.

Findings and conclusions. The following findings and conclusions on the material issues are based upon the evidence introduced at the hearing and the record thereof:

(1) A marketing agreement should be entered into and a marketing order should be issued by the Secretary governing the handling of dates grown in the State of California. Practically all whole dates and whole pitted dates are marketed in a form which is alternatively referred to by the date industry as "fresh" or "dried". These terms refer to the same commodity and as they are used by the date industry and by the distributive trade are interchangeable in meaning. Dates are not sold as a frozen food, although they are distributed through frozen fruit channels, because the Deglet Noor variety which represents about 85 percent of all date production in the United States freezes only at a temperature of about 60° below zero and because, for all dates, hardness is an undesirable characteristic. The marketing of dates through frozen food channels is an experimental, not a customary, practice at the present time. There is no canning of dates. Thus, in effect, the industry has only one market outlet for good quality whole dates or whole pitted dates. In this outlet an increasing proportion enters interstate commerce. Since the early 1930's, when two-thirds of all California dates were sold within California, the proportion sold outside of California has increased until, at the present time, approximately two-thirds of such dates enter interstate commerce. Only a small quantity of California dates is exported. Of the export markets now available to the California date industry, Canada is in a separate category and is treated as a part of the domestic market because of the higher quality required by consumers in Canada and the United States. Special effort is being made to expand the Canadian market.

There are three classes of date varieties, namely, dry or bread dates, semi-dry dates, and soft or invert sugar dates. Dry dates are dates of the Kanta, Thoory, or Deglet Beida variety. They are of extremely low moisture content, of very limited production, and with almost no commercial outlet. The semi-dry dates are dates of the Deglet Noor or Zahedi variety. However, Zahedi dates are grouped with soft date varieties by the date industry because they are invert sugar dates, the production is small and the size of the Zahedi date decreases with increase in the age of the palm thus distinguishing them from the large semi-dry Deglet Noor date in commercial channels. The Deglet Noor is generally spoken of as the "cane sugar" variety. It is the principal variety grown in California.

Merchantable dates are sold as whole dates or whole pitted dates. Whole pitted dates are whole dates from which the pits have been removed after slicing the date open or by punching the pits out, but which are otherwise entire dates. Both whole dates and whole pitted dates are normally sold in the same trade channels, are used for the same purposes, and compete with one another. The quantity of whole pitted dates now produced is not great but there are indications that such production may be substantially increased.

Testimony adduced at the hearing shows that the marketing of low quality dates depresses the price and reduces the sales of all dates. Large chain retailers which do not wish to retail low quality dates have refused to buy better quality dates at a price commensurate with such higher quality level because of the difficulty of selling such higher quality dates in competition with the price of low quality dates. The shipment of two carloads of low quality dates to New York City during the current season immediately reduced the following sales of California dates in that market by more than half. Handlers' normal markets for good quality dates in other large cities have been lost because inferior dates were sold at low prices in those markets, resulting in a present carryover of good quality dates because of restricted commercial demand. Size is not an important factor in the sale of soft, or invert sugar, dates but is a necessary factor in the control of low quality dates of the Deglet Noor variety.

The parity price for dates grown in California cannot be satisfactorily determined from available statistics of the Department of Agriculture with respect to the base period beginning with August 1909 and ending with July 1914 specified in section 2 (1) of the Agricultural Marketing Agreement Act of 1937, as amended, but can be so determined with respect to the base period beginning with August 1924 and ending with July 1929 as prescribed in section 8e of such act. The prices received by producers of dates grown in California during the current season (1947–48) average 54 percent of parity, as determined in accordance with sections 2 (1) and 8e of such act. The seasonal average price received by California date producers in each of the marketing seasons since July 1929, except for the three wartime seasons 1943–44, 1944–45, and 1945–46, has not been in excess of the parity price for California dates for the respective season, and in most of such seasons has been substantially below such parity level. The existing conditions of the supply of and the demand for dates grown in California are such that it can reasonably be anticipated that the average of the prices to be received by producers of California dates during subsequent seasons will not exceed parity. The production of dates in California has increased from approximately 3,000 tons annually in 1934 and 1935 to the current level of approximately 15,000 tons. Further increase is indicated by the fact that in 1947 over 25 percent of the total date acreage in Riverside County, California, which produces virtually all of dates grown in California, was not of bearing age.

Date palms first start to bear fruit in the fifth year after planting. The data of new plantings and other non-bearing acreage in Riverside County, compiled annually during the period 1943 to 1947, inclusive, indicate that a considerable proportion of all non-bearing date acreage in existence in such county in 1947 was close to bearing age. Testimony adduced at the hearing shows that a date palm does not reach full production until it is from ten to twelve years of age and

that a substantial number of palms in the classification of "bearing" will increase in production during the next five years. Thus, in the absence of some widespread disaster to the date acreage in California, it is concluded that the production of California dates will increase substantially in subsequent seasons and will tend to depress the prices received by producers of California dates. This increase in date production will make critical an already serious marketing problem because of the corresponding increase in that part of each crop which is of substandard quality. The percentage of a crop which is substandard varies over a range of from 12 percent to 40 percent from year to year, with an average of around 16 to 18 percent.

(2) Certain terms are used throughout the proposed marketing agreement and marketing order and should be defined to establish their respective meanings whenever they are used in the marketing agreement and marketing order. Such definitions are necessary and incidental to the operation of this program and for the effectuation of the declared purposes of the act.

(a) The evidence adduced at the hearing shows that the definitions of certain terms such as "Secretary," "act," "person," "district," "fiscal period," "marketing season," and "committee," as set forth in the notice of hearing (13 F. R. 1836), were not in controversy at the hearing and were well understood by the industry.

(b) Evidence adduced at the hearing shows that the proposed marketing agreement and marketing order is not intended to cover the Kanta, Thoory, or Deglet Beida variety of dates because such dates are of a different character from other dates, are produced in very small volume, have almost no commercial use, and do not compete with the other varieties of California dates. California dates are commercially distributed in a form (known as whole dates or whole pitted dates) which wholly or substantially retains the natural shape and appearance of a date as grown on a date palm, or in a chopped, ground, or otherwise modified form which does not retain such natural shape and appearance. Whole pitted dates are whole dates from which the pits have been removed after slicing open the side of the date or from which the pits have been punched out. Based upon the evidence adduced at the hearing and the reasons set forth, in summary, with respect to material issue number 1, the regulatory provisions of the program should apply not only to whole dates of all varieties, other than those excluded, but should apply to such whole dates whether pitted or unpitted. Therefore, the term "dates" should be defined so as to give due recognition to the varieties of California dates to be included and the varieties to be excluded and to extend the meaning of such term to dates which are described as whole pitted dates.

(c) "Area" should be defined as being limited to the State of California. The growing of virtually all of the dates in the United States is localized within that State. The only other date production in the United States occurs in the State of Arizona. Most of the date production in Arizona is located at a considerable distance from that in California, the production conditions in Arizona are substantially different from those in California, and in general the methods of marketing Arizona dates are so different from those used in California that such dates do not compete with California dates. It would not be practicable, consistent with the carrying out of the declared policy of the act, to extend the production area beyond the State of California. The production of dates in the two date producing districts in California differ as to the relative importance of soft dates produced compared to the semi-dry dates produced in each such district but there is no appreciable difference in the production conditions and marketing problems with respect to the same varieties produced in both districts. All dates produced in California are marketed in approximately the same commercial channels. The inclusion of the entire State is necessary to assure effective regulation of the handling of dates in interstate commerce and commerce with Canada because a substantial quantity of California dates is sold from the localities in which produced to persons in other localities in the State and is subsequently placed in the current of interstate commerce and commerce with Canada from widely separated points in California which are distant from the localities of production. The marketing agreement and marketing order are concerned with problems which arise in all the localities of date production in California and which concern all varieties of dates except the Kanta, Thoory, and Deglet Beida varieties. Therefore, the same marketing agreement and marketing order should cover all of such production localities in California; and the entire State of California is the smallest production area which is practicable, consistent with carrying out the declared policy of the act.

(d) "District No. 1" and "District No. 2" should be defined separately because they represent separated localities within the production area and their delineation is necessary to assure adequate representation of date growers on the administrative committee to be established pursuant to this program.

(e) The terms "producer" and "grower" should be defined so as to describe the class of those persons who are eligible (i) to participate in any referendum with respect to this program or amendments thereto, (ii) to participate in the nomination of producer members and producer alternate members of the administrative committee, and (iii) to become nominees for a position of producer member or producer alternate member on such committee. However, the scope of such terms should be limited to persons having direct participation in the production of dates on date palms as distinguished from persons having only participation or interest in the monetary proceeds of the sale of such dates, and from persons producing whole pitted dates.

(f) The definition of the terms "ship" and "handle" should be limited so as to indicate the circumstances under which persons engaged in the marketing of dates will be considered as handlers. Such circumstances should include the normal business activities, as hereinafter indicated, of selling and transporting California dates in the current of interstate commerce or commerce with Canada. Evidence adduced at the hearing shows that approximately two-thirds of all dates produced in California are marketed in interstate commerce and commerce with Canada; and effective control over the shipment of such dates will be achieved by the regulation of the transportation of California dates from any point within the State to any point outside thereof in the United States or in Canada. Similarly, the evidence of record shows the need for regulating the sale of dates in interstate commerce and commerce with Canada. However, evidence adduced at the hearing shows that it would not be practicable to limit, in any way, the right of any handler to take orders for the sale and future delivery or future transportation of dates from any point in California to any point outside thereof in the United States or in Canada. In other words, handlers should be allowed to contract to sell dates by taking such orders for dates even during any period when the Secretary makes effective, pursuant to this program, any regulation governing the handling of dates. The regulation of such contracts for the sale of dates is not practicable because of the requirement of this program that all dates subject to regulation must be inspected prior to the time they are handled. The imposition of such an inspection requirement at the time a contract to sell and make future delivery or future transportation is entered into, would impose an undue burden upon handlers because such contracts are not identifiable by any specific lot of dates which, wholly or in part, will be the dates handled pursuant to such contract.

(g) The term "packer" should be defined, and incorporated into the marketing agreement and marketing order, so as to describe any person who fumigates, sorts, grades, hydrates, dries, or packs dates in the State of California. A packer receives dates at his packing house and performs some or all of the following functions: (i) fumigating dates to check insect infestation; (ii) condition grading dates to separate those dates which are in condition for immediate commercial distribution from those which are too dry or too moist for such distribution; (iii) cleaning dates to remove dust and other foreign material; (iv) retaining dates under such humidity conditions as to permit them to continue ripening and so lose excess moisture; (v) hydrating dates to increase the moisture content of dates which are below the normal moisture content at which such dates are packed; (vi) regrading dates to separate those of different qualities; and (vii) packing dates into containers suitable for commercial distribution. In certain cases, such a person does not handle dates so prepared for market and, therefore, would not be eligible to vote

for, or be, a handler member or handler alternate member on the administrative committee. The marketing agreement and marketing order is primarily concerned with the regulation of shipments of dates by grades or sizes, or grades and sizes, and by the establishment of minimum standards of quality and maturity. By reason of the functions performed by a packer, he is especially competent on such matters and should be permitted to participate in the nomination of any handler member and alternate member and should be eligible to be so nominated. Each such packer would be affected by any regulation made effective under this program insofar as he prepares dates for shipment by a handler in the current of interstate commerce or commerce with Canada. No packer should be required to be subject to the regulatory provisions of the program because such provisions pertain to the handling of dates and are designed to control their sale or transportation in interstate commerce or commerce with Canada, but each such packer should make reports of his acquisitions and disposals of dates in order to assist the administrative committee in the proper administration of the program.

(3) The evidence of record supports the establishment, under this program, of an administrative committee to administer such program in accordance with its terms and provisions. Provision should be made whereby any producer will be eligible to become a producer member or producer alternate member of the committee and any producer will be eligible to nominate producer members and producer alternate members regardless of whether such producer is also a packer or a handler. The evidence supports such requirement as necessary to assure to each producer the equivalent freedom from restriction to participate in such matters as is accorded handlers and packers, and to assure adequate representation on the committee. Testimony adduced at the hearing shows that an administrative committee of nine members is the smallest number that is practicable consistent with proper representation of date producers and handlers on such committee and that producer members of the administrative committee should be in the majority because of the need for separate district representation of date producers and the importance to such producers of the committee's actions with respect to dates. Testimony adduced at the hearing also shows that four producer member positions on such committee will afford adequate representation to date producers in District No. 1 who produce virtually all of the dates produced in California and that, although the production of dates in District No. 2 is only about one or two percent of that in District No. 1, separate producer representation for District No. 2 is necessary on the administrative committee because the dates produced in the latter district are predominantly of the soft, or invert sugar, type whereas the dates produced in District No. 1 are predominantly of the semi-dry type. The production conditions with respect to any one date variety are approximately the same for both districts but the relatively greater importance of invert sugar date production in District No. 2, as compared with District No. 1, and the marketing problems peculiar to such invert sugar dates necessitate such separate representation on the committee for date producers in District No. 2; and one producer member and alternate member afford adequate representation. Handlers and packers are conversant with the market conditions applying to dates produced in both districts and, therefore, the handler member positions on the committee should not be subject to any restriction relating to districts.

The name of the aforesaid committee should be "Date Administrative Committee" to reflect correctly the administrative character thereof. Such committee should be composed of nine (9) members. Of such members, five (5) should be producer members, of whom four (4) should be from District No. 1 and one (1) should be from District No. 2. The remaining four (4) members should be handlers or packers. The entire membership of such a committee will provide an adequate basis of representation among the various interests of producers, handlers, and packers of dates in California. Representation on the committee on the basis herein indicated will provide assurance to all growers in the respective districts, to all handlers and packers, and to the Secretary that the production and marketing problems of the date industry will be brought to the attention of the committee and, through the committee, to the Secretary for proper evaluation prior to the issuance of regulations under the marketing agreement and marketing order.

There should be an alternate member for each member of the committee to act in the place and stead of such member during the member's absence or inability to act. Such provision is necessary as tending to provide a full committee at all times to act on such problems as may require consideration. Each alternate member of the committee should, under appropriate circumstances, act as a member, and therefore, should have the same qualifications as a member of the committee.

Each initial member and alternate member of the committee should hold office for a period beginning on the date designated by the Secretary if such person has qualified not later than such date, or on such later date on which such person qualifies, and ending on the last day of June 1949, and until the respective successor has been selected and has qualified, to assure the Secretary of having an agency to administer the marketing agreement and marketing order for California dates during the initial and subsequent marketing seasons.

Successor members and alternate members of the committee should hold office for an entire fiscal period so as to provide for continuous committee operations during such period. Such members and alternate members of the committee should continue to serve for an additional period extending beyond the fiscal period to the date of qualification of their respective successors so as to assure the availability of a proper committee for succeeding fiscal periods.

Each person nominated, or selected to serve, as a producer member or producer alternate member of the committee should be a producer in the district from which he is nominated; and only producers in a designated district should nominate producer members and producer alternate members to assure the growers in each such district and the Secretary that the date production problems of such district will be considered in all actions of the committee under the marketing agreement and marketing order. Similarly, each person nominated, or selected to serve, as a handler member or handler alternate member of the committee should be a handler or a packer, to assure the handlers and packers and the Secretary that the date marketing problems will be considered in all actions of the committee under the marketing agreement and marketing order.

The marketing agreement and marketing order should permit the Secretary to select initial members and alternate members on the committee from nominations submitted by any producers, handlers, or packers but should not require that meetings be held for the purpose of voting with respect to such nominations due to the imminence of the marketing of the 1948–49 date crop and because such requirement would unduly delay, if not preclude, any operation of the marketing agreement and marketing order during such season because of the time necessarily required for the nomination procedure prescribed for the nomination of successor members and alternate members of the committee.

Successor members and alternate members of the committee should be selected for each fiscal period subsequent to June 30, 1949, from persons nominated at a meeting, or meetings, of producers and of handlers and packers. Such procedure will assure the Secretary that the names of appropriate prospective committee members and alternate members are brought to his attention and will assure the date growers in each district and handlers as well as packers of having a voice in the nomination of such persons for selection by the Secretary. Each such meeting, or meetings, should be held not later than twenty-five (25) days prior to the end of the then current fiscal period to allow sufficient time for appropriate action to be taken in nominating persons to be selected as members and alternate members of the committee prior to the beginning of the fiscal period; and all such meetings should be conducted by a representative of the Secretary. Voting at each such meeting should be in person and by secret ballot; each person so voting should be required to submit his name and address and such written evidence of his authority to vote as the Secretary may require, and the result of the balloting at each such meeting should be announced at such meeting, to assure to the producers, handlers and packers, and to the Secretary that such voting is bona fide, and represents the true and unqualified expression of the persons so voting.

Nomination for initial members and alternate members of the committee should be submitted to the Secretary not later than fifteen (15) days after the effective date of the marketing agreement and marketing order but may be submitted prior thereto in order to assure expeditious establishment of administrative machinery to permit the early and efficient operation of the marketing agreement and marketing order. Nominations for successor members and alternate members of the committee for each succeeding fiscal period should be submitted to the Secretary not later than the tenth day of June immediately preceding each such period. Such provision is necessary to assure the Secretary that there will be a continuing agency in existence to discharge the administrative duties under the program for the succeeding marketing season.

The Secretary should select four producer members and their respective alternates from District No. 1, one producer member and his alternate from District No. 2, and four handler members and their respective alternates to assure producers, handlers and packers, and the Secretary that such membership and alternate membership afford adequate and necessary representation to consider marketing problems confronting dates, producers and handlers. Such members and alternates should be selected from the nominations submitted by producers, and handlers and packers; and, in the event that such nominees do not possess the requisite qualification, the members and alternate members should be selected by the Secretary from producers, handlers, and packers to permit him to designate qualified individuals. This provision is also necessary to permit the Secretary to exercise his discretion in discharging the duties devolving upon him under the act in administering marketing agreement and marketing order programs.

The Secretary should be permitted to select members and alternate members of the committee from such sources as may be available to him in the event that nominations are not made pursuant to, and within, the specified time so as to assure the existence of a properly constituted administrative committee during each fiscal period.

Each person who is selected by the Secretary as a member or as an alternate member of the committee and who desires to serve on the committee should file a written acceptance with the Secretary within fifteen (15) days after being notified of such selection so as to furnish the Secretary with written assurance that each such individual will serve; and the Secretary may, in the absence of such written acceptance, make additional selections in order to establish a full committee.

There should be an alternate member for each member of the committee to act in the place and stead of such member during the member's absence. Such provision is necessary to assure a full committee to act at all times on any and all problems dealing with the handling of dates.

Vacancies on the committee should be filled by nomination and selection in the manner provided in the marketing agreement and marketing order, including among other things, the holding of meetings and voting by secret ballot, to provide for proper representation on the committee. The Secretary should be empowered to fill any such vacancy without regard to nominations if nominations to fill any such vacancy are not made, as required by the program, within twenty days after such vacancy occurs, to assure proper continuity of the administration of the market agreement and marketing order. The specified period of twenty days provides adequate time for filling any such vacancy by the procedure provided for the making of nominations.

The powers of the committee should be those authorized in section 8c (7) (C) of the act. Such powers, as hereinafter set forth, should be vested in the committee to enable the committee to discharge its responsibilities under the marketing agreement and marketing order. The committee should act as an intermediary between the Secretary and any producer or handler because it would be impracticable for the Secretary to attend to all communications and requests which may arise in connection with the administration of the program. The committee should keep minutes, books, and records which will clearly reflect all of the acts and transactions of the committee in order to supply itself and the Secretary with immediately available and detailed information on all phases of activities under the marketing agreement and marketing order. The committee should investigate, from time to time, and assemble data on the producing, harvesting, shipping, and marketing conditions with respect to dates; should engage in such research and service activities in connection with the handling of dates as may be approved from time to time, by the Secretary; and should submit to the Secretary such information as he may request in order that the Secretary will be properly informed on such matters. The committee should select from among its members a chairman and other officers and adopt such rules and regulations for the conduct of its business as it may deem advisable. At the beginning of each fiscal period and not later than the first day of September thereof, the committee should submit to the Secretary a budget of its proposed expenses and a proposed rate of assessment, for such fiscal period, together with a report thereon, as a matter of good business procedure, and to avoid the incurring of undue expense. Such budget, proposed rate of assessment, and report should be submitted during the period specified to permit the making of reasonable estimates, necessarily incidental to such budget and rate of assessment, prior to the beginning of the harvesting of dates.

The committee should cause its books and records to be audited by one or more certified public accountants, at least once each fiscal period, and at such other times as the committee may deem necessary or the Secretary may request, to assure that the committee's affairs are carried on in a proper manner. The committee should submit to the Secretary at least two copies of the report of each such audit. The committee should appoint or employ a confidential employee or employees, and such other persons as it may deem necessary to provide for appropriate discharge of its administrative functions and should determine the salaries and define the duties of each such person. The committee should investigate compliance with respect to the regulation of shipments pursuant to the marketing agreement and marketing order to assure the proper operation of the program. The committee should prepare monthly statements of its financial operations and make such statements, together with the minutes of the meetings of said committee, available for inspection by producers and handlers at the office of the committee in order to ascertain the status of its financial affairs and inform interested parties with respect thereto.

Testimony introduced at the hearing substantiates the advisability and necessity for the members of committee to serve without compensation; but they should be reimbursed for all reasonable, actual out-of-pocket expenses incurred in the performance of such committee business as the committee may approve in advance. Such reimbursement is a just and reasonable procedure in order to avoid placing an undue expense upon such members who are giving their own time to the affairs of the committee. Each member and alternate member should account for all receipts and disbursements handled as member or alternate member and should execute such assignments and instruments as may be necessary or appropriate to vest in the respective successor full title to the property and funds vested in, or under the control of, such member or alternate member, because such accounting is a good business practice and necessary to the proper functioning of such successor.

Six members, including alternate members acting as members, of the committee should constitute a quorum to assure adequate participation of both producer members and handler members in all committee actions. All such members should be present in person in order to constitute a proper quorum. Testimony adduced at the hearing shows that each member of the committee should vote in person except in those instances where it would be impossible for him to attend; but each such absentee vote should be confirmed promptly in writing to preclude the possibility of error arising from such absentee voting.

The committee should give the Secretary the same notice of its meetings as it gives to its membership in order that he be informed of all such meetings so that he or his agent may attend such meetings.

(4) In order for the committee to carry out its functions and duties as prescribed by the marketing agreement and marketing order, it should be authorized to incur such expenses as the Secretary may find are reasonable and are likely to be incurred during the then current fiscal period for the maintenance and functioning of such committee and for such research and service activities relating to the handling of dates as the Secretary

may determine to be appropriate. Only such expenses as are approved by the Secretary should be devoted to research and service activities. The hearing record shows that the aforesaid expenses should be defrayed by means of assessments levied on date shipments; that each handler who first ships dates should, with respect to each such shipment, pay to the committee such handler's pro rata share of the committee's aforesaid expenses so as to provide, in an equitable manner, the means of carrying out the intention of collecting only one assessment on a particular quantity of dates; that no such assessment should be levied with respect to any shipment of dates for consumption by charitable institutions, for distribution for relief purposes, or for distribution by relief agencies because such dates are for immediate consumption and present no problem as far as competition with dates shipped in interstate commerce or to Canada is concerned; and that no such assessment should be levied with respect to any shipment of dates for export to any foreign country except Canada. The record shows that dates shipped out of the State of California for conversion into byproducts should be subject to the assessment requirement because of the extreme difficulty of enforcing the marketing agreement and marketing order if dates which are shipped for conversion into byproducts are shipped as whole dates or whole pitted dates and because of the impracticability of following such dates from the point of shipment through the conversion stage. Also, such unprocessed dates are readily adaptable for sale outside of California as whole dates or whole pitted dates and such dates, therefore, should be subject to regulations under the program.

At the hearing, proponents submitted the following modification of section 3 (b) of the notice of hearing as published (13 F. R. 1836) in the FEDERAL REGISTER: *"Provided further,* That, no assessment shall be levied with respect to any dates shipped direct to ultimate consumer."

The testimony shows that such exemption was intended to apply only to shipments of dates to a "final user" of the dates, and that the term "final user" was meant to apply to a person who does not intend to resell the dates in any form. No proof was submitted to support the inclusion of such provision in the program.

Testimony adduced at the hearing shows that the requirement concerning each handler's pro rata share of the expenses of the administrative committee refers to the share of such expense to be borne by each such handler and that to avoid any duplication of such levy, and for administrative convenience, it should apply only to the handlers who first ship dates. Testimony further shows that the assessment rate cannot be established in the marketing agreement and marketing order because the rate cannot be accurately calculated at such time. Each assessment rate established for any one fiscal period necessarily will be based upon estimates of the costs to be incurred by the administrative committee during such period and therefore should be subject to revision. Any such revision should be applied to all dates shipped during the entire fiscal period to which it is referable, in order to make the levying of such an assessment equitable among all handlers subject to it.

Handlers should be permitted to make advance payments to be credited against subsequent assessments so as to provide money for the operating costs of the committee prior to the time the actual assessment rate is fixed by the Secretary. Excess funds in the possession of the committee at the end of each fiscal period should be held as a credit to be applied to handlers' accounts for the next marketing season so that such funds may be available for operations at the beginning of such season; but each such handler's share of such excess funds should be paid to him, upon demand, because such share is his money.

The committee should be authorized to sue in its own name or in the name of its members in order to enable the committee to obtain all money due to it under the program and which is necessary to cover the costs of operation.

The expenditure of funds by the committee should be limited to the purposes of the marketing agreement and marketing order to protect the persons against whom assessments are levied and to prevent any possible misuse of funds acquired under the mandatory assessment requirement. Testimony introduced at the public hearing affirms that it is proper for the Secretary at any time to require the committee and its members and alternate members to account for receipts and disbursements of funds acquired pursuant to this program.

(5) The marketing agreement and marketing order should contain a provision requiring the committee to adopt, at the beginning of such marketing season, a marketing policy, and to submit a report thereon to the Secretary, with respect to the proposed handling of dates during such season. Such data and information should serve as a guide for regulation under the program, and hence, should be assembled a marketing policy prior to the committee's recommendation for regulation. Such marketing policy should be subject to modification by the committee as changes in the circumstances and factors affecting the establishment of any such policy may warrant. The committee should call a meeting at the beginning of each marketing season, and not later than August 15 thereof, to consider the establishment of such policy. Such marketing policy should be considered at a time as close to the harvesting of dates as may be practicable in order to have available the most accurate production data (including the potential composition of the crop on the basis of grades and sizes) and information relating to the carryover of the preceding marketing season. Such meetings should be open to growers and handlers because the interests of both are involved in the consideration of such policy and because they would be of mutual help in its establishment.

(6) The committee should be required to investigate the supply and demand conditions for dates in order to aid it in arriving at a proper recommendation to be made to the Secretary concerning the regulation of the handling of dates. Such supply should include the carryover of all dates from the preceding marketing season, the prospective current date crop (including the grade and size composition thereof), the demand for dates, and the buying power of the consuming public. Such conditions vary from year to year. Whenever the committee finds that conditions make it advisable that the shipment of dates should be regulated by grades or sizes or both grades and sizes, it should so recommend to the Secretary. Consideration should be given by the committee to the foregoing factors so as to enable it fully to evaluate the marketing factors influencing not only the prospective returns to be received by date growers but also the demand for dates. The marketing of low quality dates is, on the basis of evidence adduced at the hearing, the largest single factor which has contributed to the present disorderly marketing conditions in the date industry. For example, the shipment, during the early part of April of this year, of two carloads of low quality[1] dates from California to New York caused an immediate decrease of approximately 50 percent in the volume of shipments of dates to New York. Also, the impact of the undesirable characteristics of similar shipments of dates of inferior quality was such as to cause certain shippers the loss of their markets in date consumption centers as large as Chicago and Denver. The evidence of record shows that the marketing of low quality dates depresses the prices received for all dates. It appears, therefore, that the restriction of shipments of dates to those of proper grade and size which are attractive to the consumer would tend to improve the return to growers for whole dates. Incident to such type of regulation, the consumers benefit by the exclusion from market of low quality dates because such dates meet consumer resistance, primarily because of the excessively dry condition of such dates, and because they may be subject to a greater degree of perishability and mold or sour more readily than dates which possess higher quality characteristics. The foregoing situation applies equally to all classes of dates subject to regulation under the proposed marketing agreement and marketing order.

The attributes of quality of dates include, among other, such factors as maturity, development, plumpness, and color of dates and the degree of freedom from certain types of defects.[2] The manifestations of maturity and development are different in invert sugar dates from those in dates of the Deglet Noor variety. Such differences appear in such factors as texture, shape, color, and degree of translucency. The evidence shows that the factor of size is an at-

[1] In terms of the grades set forth in the United States Standards for Grades of Dates (12 F. R. 4623), such dates were equivalent to U. S. Grade D. Such quality classification of the dates indicates that the fruit was of substandard grade.

[2] Discoloration, deformity, puffiness, scars, insect injury, improper ripening, and improper curing or hydrating are examples of the defects of dates specified in the United States Standards for Grades of Dates.

tribute of quality of dates of the Deglet Noor variety but not of the soft, or invert sugar, dates or of semi-dry dates of the Zahedi variety. Size is an important factor affecting the prices received for Deglet Noor dates. Under proper cultural practices known and practiced in the date industry, the Deglet Noor variety of dates appreciably exceeds in size the average size of invert sugar dates. When produced under similar growing conditions, dates of the latter class may average 81 dates to the pound as compared to an average of 60 Deglet Noor dates to the pound. The size of Deglet Noor dates is directly related to their quality and very small-sized Deglet Noor dates command a lower price from consumers because there is excessive waste in such fruit due to the high proportion of the pit to the meat. Testimony adduced at the hearing with respect to all soft, or invert sugar, dates and semi-dry dates of the Zahedi variety shows that size is not a price-determining factor except in connection with the best quality of such dates. For the foregoing varieties of dates, other attributes of quality such as texture, color, and softness, and, in certain cases, translucency, determine the prices received by producers of such dates. The marketing of any such dates of good quality, irrespective of size, does not tend to depress the price for all dates.

The structure of the provision authorizing the committee to recommend, and the Secretary to establish on the basis of such recommendation or other available information, grade and size regulations affords the necessary flexibility in the establishment, modification, suspension, or termination of such regulations which would be absent if specific grade and size regulations were prescribed in detail in the provision. Such flexibility is necessary because it is impracticable to anticipate with precision the conditions which may prevail during a particular marketing season but which would have a direct bearing on any predetermined specification of grade and size regulations to be in effect during such season. As experience in the operation of this provision demonstrates the exact needs with respect to such regulations, appropriate adjustments may be made. During seasons when the average price of California dates is not in excess of the parity level, grade and size regulations could be made effective pursuant to the provisions of the marketing agreement and marketing order so as to establish and maintain such orderly marketing conditions for dates in interstate commerce and commerce with Canada as will establish parity to producers.

The marketing agreement and marketing order should permit the continued operation of the program under minimum standards of quality and maturity during periods when the seasonal average price of dates produced in the State of California exceeds the parity level set forth therefor in section 2 (1) and 8e of the Agricultural Marketing Agreement Act of 1937, as amended. Public Law 305, 80th Congress, approved August 1, 1947, permits minimum standards of quality and maturity to be established and maintained in effect even though the seasonal average price of the regulated commodity is above parity, if such action will effectuate orderly marketing in the public interest. Such regulations will furnish the consumers of this commodity with mature and properly graded dates. In the absence of any provision for minimum standards of quality and maturity, the regulatory provisions of the program would be rendered inoperative when the seasonal average price of California dates exceeds the parity level. Through the use of minimum standards of quality and maturity during any season when the average price of California dates is above the parity level, the administrative committee would be empowered to recommend that the Secretary specify, to the extent prescribed by such minimum standards, the quality, maturity, or quality and maturity which shipments of dates must meet at times when more stringent regulations may not be invoked. Such recommendations for the establishment of minimum standards of quality or maturity, or both, to govern the shipment of California dates should be in terms of the lowest quality of such dates that may be handled consistent with consumer acceptance of the dates so shipped. The minimum standards of quality and maturity to be made operative during periods when the seasonal average price received by producers of California dates exceeds parity should be based on the factors of quality and maturity which are contained in the United States Standards for Grades of Dates.

The structure of the provision authorizing the committee to recommend, and the Secretary to establish on the basis of such recommendation or other available information, minimum standards of quality and maturity affords the necessary flexibility in the establishment, modification, suspension, or termination of such minimum standards which would be absent if specific minimum standards of quality and maturity were prescribed in detail in the provision. Such flexibility is necessary because it is impracticable to anticipate with precision the conditions which may prevail during a particular marketing season but which would have a direct bearing on any predetermined specification of minimum standards of quality and maturity to be in effect during such season. As experience in the operation of this provision demonstrates the exact needs with respect to such minimum standards, appropriate adjustments may be made.

The desirability of prohibiting the shipment of those California dates which do not meet minimum standards of quality and maturity arises from the loss of consumer good will which results from the shipment of such low quality dates and from the concomitant disruption of the marketing of good quality dates which accompanies such shipment. These developments are not conducive to such orderly marketing of California dates as will be in the public interest when prices to producers of such dates are above the parity level.

During the effective period of any regulation governing the shipment of dates, all dates so shipped should be inspected by the United States Department of Agriculture because inspection of dates is necessary for the administrative committee and for the Secretary to have evidence with respect to the handling of dates, under any regulation made effective pursuant to the marketing agreement and marketing order, which will show the compliance or non-compliance by handlers with the requirements of such regulation. Such evidence may be readily supplied by means of the inspection certificates required by the program. Handlers should be required to have such of their shipments as are subject to regulation inspected prior to shipment so that evidence relating to the dates in such shipments will be available to the committee and to the Secretary.

The aforesaid inspection requirement is necessary to the effective supervision of any regulations established under this program because proof of compliance therewith can best be furnished on the basis of the evidence afforded by the inspection certificates issued with respect to such inspection. It is reasonable and necessary, therefore, that each handler should be required to submit, or cause to be submitted, to the administrative committee a copy of each inspection certificate issued to him with respect to dates shipped by him and which are covered by any regulation issued under this program.

The evidence adduced at the hearing shows that it would not be practicable to require the inspection of dates within five days prior to the shipment thereof as set forth in section 4 (e) of the notice of hearing (13 F. R. 1836). During the peak of the shipping season more dates could be available for such required inspection than could be inspected within such period. The evidence adduced at the hearing shows that such a situation would cause serious disruption of the orderly marketing of dates. The evidence further shows that such inspection occurs at the packing plants and that sufficient time should elapse between an inspection of dates and the time of shipment of such inspected dates so as not to interfere with the orderly marketing of such dates; but such elapsed time should not be so extended as to nullify the purpose of such inspection. The quality of dates held in storage depends upon the type of storage in which they are so held; dates which are properly stored for a period of at least two months would not tend to undergo marked deterioration; and dates which had been inspected and thereafter properly stored for a reasonable time would not fall below the quality designation shown by the inspection certificate issued at the time of such inspection. The evidence of record on this matter supports the conclusion that for a period of 15 days following any inspection of dates, an inspection certificate issued therefor should be deemed adequate to comply with the mandatory inspection requirement of this program. The 15-day period should not interfere with the orderly marketing of dates and should afford adequate recognition of the ways in which dates are handled. The evidence further shows that, with respect to dates packed in small packages and shipped direct to a final consumer, such inspection is not intended to refer to each individual ship-

ment of such small packages because it would impose an undue hardship upon any person so shipping dates. The proponents offered an amendment during the course of the hearing designed to exclude such dates from regulation under the program because of the hardship accruing from a mandatory inspection requirement being applicable to dates after they were placed in small packages for shipment to a final consumer. Such exemption was contingent upon such dates having been previously inspected as required by the program with respect to all shipments of dates subject to regulation. But, no evidence was submitted to prove that a person so shipping dates should be permitted to ship dates of a quality below that required by the regulations of the program nor that such a person could not ship such small packages of dates within the 15-day period following inspection.

(7) Reports of the acquisition and disposition of dates by packers and handlers should be furnished to the committee on a mandatory basis. In order to provide the administrative committee with a proper foundation for operation, such mandatory reports should be made periodically, in such manner as the committee may prescribe, and on forms made available by it. The data and information to be submitted by the person subject to the reporting requirement, with respect to dates received and dates disposed of during the period covered by a report, should set forth in detail the quantity of dates received, shipped and otherwise disposed of, and the quantity on hand on the last day of the period covered by each such report. The data and information should be furnished during each month of the marketing season when regulations are in effect and should be so prepared as to relate separately to the first 15 days of each such month and to the remainder of each such month. All such reports should be true and correct to assure to the committee of the data and information essential for the efficient operation of the marketing agreement and marketing order. It was emphasized at the hearing that all information and data contained in the required reports should be kept confidential and that such information and data should be released only in such summaries or compilations thereof as would not reveal the identity of any person furnishing data or information used in such summary or compilation.

The marketing agreement and order should provide that with the approval of the Secretary, the committee may request handlers to furnish to it, in such manner and at such times as the committee prescribes, such other information as will enable it to perform its functions and duties under the program.

Evidence adduced at the hearing indicates that the committee should have the right to secure additional information under the program. Such additional information, however, should not be incorporated in the mandatory semimonthly reports in order to avoid placing an undue burden of report making upon handlers and packers, and should be requested by the committee at longer intervals than such mandatory reports.

(8) Shipments of dates to charitable institutions for relief purposes or for distribution by relief agencies should be exempt from regulation under the program because such dates do not compete commercially with the other dates being marketed by the industry. Similarly, shipments of dates for export to any foreign country other than Canada should be exempt from regulation because such date shipments do not interfere with the orderly marketing of dates in interstate commerce or commerce with Canada and because there are outlets, in such foreign countries, for dates which do not meet the requisite higher quality requirements for consumption in the United States or Canada.

(9) The following provisions are generally common to marketing agreements and marketing orders now operating under the act: § 983.7, Compliance; § 983.8, Right of the Secretary; § 983.9, Effective time; suspension; termination; § 983.10, Duration of immunities; § 983.11, Agents; § 983.12, Derogation; § 983.13, Personal liability; § 983.14, Separability; § 983.15, Amendments; § 983.16, Effect of termination or amendment; § 983.17, Counterparts; §983.18, Additional parties; § 983.19, Order with marketing agreement.

All such provisions are authorized by the act, are incidental to and not inconsistent with the other provisions of the proposed regulatory program, and are necessary to effectuate the declared purposes of the act. Testimony at the hearing supports the inclusion of each of such provisions as set forth in the proposed marketing agreement and marketing order. No testimony was adduced at the hearing and no brief was filed in opposition to any of such provisions.

General findings. The marketing agreement and marketing order, and all the terms and conditions thereof will tend to effectuate the declared policy of the act with respect to dates produced in the State of California by establishing and maintaining such orderly marketing conditions therefor as will tend to establish prices to the producers thereof at a level which will give such dates a purchasing power, with respect to the articles that the producers thereof buy, equivalent to the purchasing power of such dates in the base period, August 1924–July 1929, and by protecting the interest of the consumer by (1) approaching the level of prices which it is declared in the act to be the policy of Congress to establish, by a gradual correction of the current level of prices at as rapid a rate as the Secretary deems to be in the public interest and feasible in view of the current consumptive demand, and (2) by authorizing no action which has for its purpose the maintenance of prices to growers of such dates above the level which it is declared in the act to be the policy to establish, and (3) by providing for the establishment and maintenance of such minimum standards of quality and maturity and such inspection requirements as will effectuate such orderly marketing of such dates as will be in the public interest.

Rulings on proposed findings and conclusions. The date May 12, 1948, was set by the presiding officer at the hearing as the latest date by which briefs may be filed by interested parties with respect to the evidence presented at the hearing and the findings and conclusions which should be drawn therefrom. A brief was filed on behalf of the Date Advisory Board with respect to proposals discussed at the hearing. Although such brief did not contain a specific request to make proposed findings and conclusions, it is assumed that the arguments and conclusions submitted were for this purpose and they are treated accordingly. Every point covered in the brief was carefully considered along with the evidence adduced at the hearing in making the findings and reaching the conclusions hereinbefore set forth. To the extent that any such suggested findings and conclusion contained in the brief is inconsistent with the findings and conclusions contained herein, the request to make such findings or reach such conclusion is denied on the basis of the facts found and stated in connection with the conclusions in the recommended decision.

Recommended marketing agreement and marketing order. The following proposed marketing agreement and marketing order are recommended as the detailed means by which the aforesaid conclusions may be carried out (the provisions identified with an asterisk (*) apply only to the proposed marketing agreement and not to the proposed marketing order):

§ 983.1 *Definitions.* As used herein, the following terms have the following meanings:

(a) "Secretary" means the Secretary of Agriculture of the United States, or any other officer or employee of the United States Department of Agriculture who is, or who may hereafter be, authorized to exercise the powers and to perform the duties of the Secretary of Agriculture.

(b) "Act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended (7 U. S. C. 601 et seq.).

(c) "Person" means an individual, partnership, corporation, association, or any other business unit.

(d) "Dates" means dates, including whole pitted dates, of all varieties, except Kanta, Thoory, or Deglet Beida, produced in the area.

(e) "Area" means the State of California.

(f) "District" means District No. 1, District No. 2, or both District No. 1 and District No. 2.

(g) "District No. 1" means that part of the area comprised of Inyo County and those portions of Riverside County and San Bernardino County lying East of Range Three (3) East, San Bernardino Meridian.

(h) "District No. 2" means that part of the area not included in District No. 1.

(i) "Producer" is synonymous with "grower" and means any person in the business of growing dates.

(j) "Handler" is synonymous with "shipper" and means any person (except a common or contract carrier of dates owned by another person) who, as owner, agent, or otherwise, ships dates or causes dates to be shipped.

(k) "Packer" means any person who fumigates, sorts, grades, hydrates, dries, or packs dates.

(l) "Ship" is synonymous with "handle" and means to transport, sell, or in any other way to place dates in the current of commerce between the State of California and any point outside thereof in the United States or in Canada.

(m) "Fiscal period" is synonymous with "marketing season" and means the twelve month period beginning on the first day of July of each year and ending on the last day of June of the following year, both dates inclusive, except that the initial fiscal period shall begin on the date designated by the Secretary and shall end on the last day of June of the following year, both dates inclusive.

(n) "Committee" means the Date Administrative Committee established pursuant to § 983.2.

§ 985.2 *Date Administrative Committee*—(a) *Establishment, membership, and term of office.* (1) There is hereby established a Date Administrative Committee consisting of nine (9) members of whom five shall be producers and four shall be handlers or packers irrespective of whether such handlers or packers are also producers. One such producer member shall be a producer in District No. 2 and the other such producer members shall be producers in District No. 1. For each member there shall be an alternate member who shall have the same qualifications as the member for whom he is the alternate. All members and alternate members shall be nominated and selected in the manner hereinafter prescribed.

(2) Each initial member and alternate member of the committee selected hereunder by the Secretary shall hold office for a period beginning on the date designated by the Secretary if such person has qualified not later than such date, or on such later date on which such person qualifies, and ending on the last day of June 1949, but each such member and alternate member shall continue to serve until the respective successor is selected and has qualified. The term of office of successor members and alternate members of the committee shall be a fiscal period, but each such member and alternate member shall continue to serve until the respective successor is selected and has qualified.

(b) *Nomination.* (1) Only producers may nominate producer members and producer alternate members of the committee and only handlers and packers may nominate handler members and handler alternate members of the committee.

(2) Such producers in District No. 1 may nominate one or more producers in such district for each of four producer member positions on the committee and one or more producers in such district as alternate for each person nominated for a producer member position.

(3) Such producers in District No. 2 may nominate one or more producers in such district for one producer member position on the committee and one or more producers in such district as alternate for each person nominated for a producer member position.

(4) Handlers and packers may nominate one or more handlers or packers for each of four handler member positions on the committee and one or more handlers or packers as alternate for each person nominated for a handler member position.

(5) Each person shall cast only one vote with respect to each nomination in which he is eligible to participate as hereinabove specified, regardless of whether such person is a producer in both districts or a handler or packer in both districts. Each such vote shall be cast on behalf of such person, his agents, subsidiaries, affiliates, and representatives.

(6) Nominations for initial members and alternate members of the committee may be submitted to the Secretary by producers and by handlers and packers; and such nominations may be made by means of meetings of groups of producers and groups of handlers and packers.

(7) Nominations for successor members and alternate members of the committee shall be made as hereinafter set forth. The Secretary shall give notice of a meeting, or meetings, of producers in each district and of a meeting, or meetings, of handlers and packers. Each such meeting shall be held not later than twenty-five (25) days prior to the end of the then current fiscal period and shall be conducted by such representative of the Secretary as may be designated for such purpose. Each person who votes at any such meeting shall submit to such representative his name and address and such written evidence of his authority to vote, as the Secretary may require. Voting at each such meeting shall be in person and by secret ballot; and the result of the balloting at each such meeting shall be announced at that meeting.

(8) Nominations for initial members and alternate members of the committee shall be submitted to the Secretary not later than fifteen (15) days after the effective date hereof but may be submitted prior thereto. Nominations for successor members and alternate members of the committee for each succeeding fiscal period shall be submitted to the Secretary not later than the tenth day of June of the fiscal period immediately preceding each such succeeding fiscal period.

(c) *Selection.* In selecting the members and alternate members of the committee, the Secretary shall select four (4) producer members and their respective alternates from District No. 1, one (1) producer member and his alternate from District No. 2, and four (4) handler members and their respective alternates. Such selections may be made from the nominations submitted pursuant to paragraph (b) of this section or from other producers, packers, or handlers.

(d) *Failure to nominate.* In the event nominations for a member or alternate member on the committee are not made pursuant to, and within the time specified in, this section, the Secretary may select such member or alternate member without regard to nominations but each such selection shall be on the basis of the producer and handler representations set forth in paragraph (c) of this section.

(e) *Acceptance.* Each person selected by the Secretary as a member or as an alternate member of the committee shall, prior to serving on the committee, qualify by filing with the Secretary a written acceptance within fifteen (15) days after being notified of such selection.

(f) *Alternate members.* An alternate for a member of the committee shall act in the place and stead of such member (1) during his absence, and, in the event of his removal, resignation, disqualification, or death, (2) until a successor for such member's unexpired term is selected and has qualified.

(g) *Vacancies.* To fill any vacancy occasioned by the failure of any person selected as a member, or as an alternate member, of the committee to qualify, or in the event of removal, resignation, disqualification, or death of any member or alternate member, a successor for such person's unexpired term shall be nominated and selected in the manner set forth in this section. If nominations to fill any such vacancy are not made within twenty (20) days after such vacancy occurs, the Secretary may fill such vacancy without regard to nominations but on the basis of the producer and handler representations set forth in paragraph (c) of this section.

(h) *Powers.* The committee shall have the following powers:

(1) To administer, as herein specifically provided, the terms and provisions hereof;

(2) To make rules and regulations to effectuate the terms and provisions hereof;

(3) To receive, investigate, and report to the Secretary complaints of violations hereof; and

(4) To recommend to the Secretary amendments hereto.

(i) *Duties.* The committee shall have the following duties:

(1) To act as intermediary between the Secretary and any producer, handler, or packer;

(2) To keep minutes, books, and records which will clearly reflect all of the acts and transactions of the committee, and such minutes, books, and records shall be subject to examination at any time by the Secretary;

(3) To investigate, from time to time, and to assemble data on the producing, harvesting, shipping, and marketing conditions with respect to dates, and to engage in such research and service activities in connection with the handling of dates, as may be approved, from time to time, by the Secretary;

(4) To submit to the Secretary such available information as he may request;

(5) To select from among its members a chairman and other officers and to adopt such rules and regulations for the conduct of its business as it may deem advisable;

(6) At the beginning of each fiscal period and not later than the first day of September thereof, to submit to the Secretary a budget of its proposed expenses, and a proposed rate of assessment, for

such fiscal period, together with a report thereon;

(7) To cause the books of the committee to be audited by one or more certified public accountants, at least once each fiscal period, and at such other times as the committee may deem necessary or as the Secretary may request; and the report of each such audit shall show, among other things, the receipt and expenditure of funds pursuant hereto; and at least two (2) copies of each such audit report shall be submitted to the Secretary;

(8) To employ a confidential employee or employees who shall peform the service required of each such employee by the provisions of § 983.5 hereof, to appoint or employ such other persons as it may deem necessary, and to determine the salaries and define the duties of each such person;

(9) To investigate compliance with respect to the regulation of shipments pursuant hereto; and

(10) To prepare monthly statements of the financial operations of the committee and to make such statements, together with the minutes of the meetings of said committee, available for inspection by producers, packers, and handlers at the office of the committee.

(j) *Compensation and expenses.* The members of the committee, and alternate members when acting as members, shall serve without compensation, but each such member and alternate member may be reimbursed for all reasonable expenses necessarily incurred in the performance of such committee business as the committee may approve in advance.

(k) *Obligation.* Upon the removal, resignation, disqualification, or expiration of the term of office of any member, or alternate member, of the committee, such member or alternate member shall account for all receipts and disbursements and deliver to his successor, to the committee, or to a consignee of the Secretary, all property (including, but not being limited to, all books and records) in his possession or under his control as member or alternate member and he shall execute such assignments and other instruments as may be necessary or appropriate to vest in such successor, committee, or designee full title to such property and funds, and all claims vested in such member or alternate member. Upon the death of any member, or alternate member, of the committee, full title to such property, funds, and claims vested in such member or alternate member, shall be vested in his successor but until such successor is selected and has qualified, in the committee.

(l) *Procedure.* (1) Six members, including alternate members when acting as members, of the committee shall constitute a quorum when all such persons are present at a meeting of the committee. For any decision of the committee to be valid, at least six concurring votes thereon shall be necessary. Each member, and each alternate member when acting as a member, must vote in person at a meeting except that the committee may provide, by due notice to all members, for voting by telephone, telegraph, or other means, in which event each vote so cast shall be confirmed promptly in writing to the committee by the person casting such vote.

(2) The committee shall give to the Secretary the same notice of meetings of the committee as it gives to its membership.

§ 983.3 *Expenses and assessments*—(a) *Expenses.* The committee is authorized to incur such expenses as the Secretary may find reasonable and are likely to be incurred by the committee, during the then current fiscal period, (1) for the maintenance and functioning of such committee and (2) for such research and service activities relating to the handling of dates as the Secretary may determine to be appropriate. The funds to cover such expenses shall be acquired by the levying of assessments, as herein provided, upon handlers.

(b) *Assessments.* (1) Each handler who first ships dates shall, with respect to each such shipment, pay to the committee, upon demand, such handler's pro rata share of the expenses which the Secretary finds will be incurred, as aforesaid, by the committee during such fiscal period: *Provided*, That, no assessment shall be levied with respect to any shipment of dates (i) for consumption by charitable institutions, for distribution for relief purposes, or for distribution by relief agencies; or (ii) for export to any foreign country except Canada. Each handler's pro rata share of such expenses shall be equal to the ratio between the total quantity of dates shipped by such handler as the first shipper thereof, during the applicable fiscal period, and the total quantity of dates shipped by all handlers as the first shippers thereof, during the same fiscal period. The Secretary shall fix the rate of assessment to be paid by such handlers.

(2) At any time during or after a fiscal period, the Secretary may increase the rate of assessment in order to secure sufficient funds to cover any later finding by the Secretary relative to the expenses of the committee. Any such increase in the rate of assessment shall be applicable to all dates shipped during the given fiscal period. In order to provide funds to carry out the functions of the committee, any handler may make advance payments to the committee. Such advance payments shall be credited by the committee toward such assessments as may be levied hereunder against such handler during the then current marketing season.

(c) *Accounting.* (1) If, at the end of any fiscal period, the assessments collected for such period exceed the expenses incurred during such period, each handler entitled to a proportionate refund of the excess assessments shall be credited with such refund against the operations of the following fiscal period, unless such handler demands payment thereof, in which case such refund shall be paid to him.

(2) The committee may, with the approval of the Secretary, maintain in its own name or in the name of its members, a suit against any handler for the collection of such handler's pro rata share of the expenses.

(d) *Funds.* All funds received by the committee pursuant to the provisions hereof shall be used solely for the purposed herein specified and shall be accounted for in the manner herein provided. The Secretary may, at any time, require the committee and its members and alternate members to account for all receipts and disbursements.

§ 983.4 *Grade and size regulations; minimum standards of quality and maturity*—(a) *Marketing policy.* (1) At the beginning of each marketing season and not later than August 15 thereof, the committee shall call a meeting for the purpose of formulating and adopting its marketing policy for the marketing of dates for the then current marketing season. With respect to the marketing season ending on the last day of June 1949, the committee shall call a meeting for the aforesaid purposes not later than thirty (30) days after the effective date hereof. Reasonable notice shall be given to growers and handlers of each such meeting and each such meeting shall be open to them.

(2) Not later than the time of submitting any recommendations to the Secretary for the regulation of the shipment of dates pursuant hereto during the then current fiscal period, the committee shall prepare a detailed report setting forth the proposed marketing policy with respect to the shipment of such dates which the committee deems advisable to be shipped during such marketing season and shall transmit such report to the Secretary, together with all data and information used by the committee in the formulation and adoption of such marketing policy. In the event the committee deems it advisable to modify such marketing policy because of changed demand or supply conditions, it shall submit a report to the Secretary showing each modification and the reasons therefor.

(3) The commitee shall give reasonable notice to producers and handlers of the contents of each of such reports submitted to the Secretary. Copies of all such reports shall be maintained in the office of the committee where they shall be available for examination by producers and handlers.

(b) *Recommendations for regulations.* (1) It shall be the duty of the committee to investigate the supply and demand conditions for dates. Whenever the committee finds that such conditions make it advisable to regulate by grades or sizes or both grades and sizes, the shipment of dates during any specified period, it shall recommend to the Secretary the grades and sizes of dates deemed advisable by it to be shipped during such period. Any recommendation by the committee pursuant to this subparagraph regarding the regulations of the shipment of dates by size shall be made only with respect to dates of the Deglet Noor variety. Together with the aforesaid recommendation, the committee shall submit the findings and information on the basis of which such recommendation was made. In the event the committee subsequently deems it advisable to modify, suspend, or terminate any grade and size regulations, or grade or size regulations, then in effect, it shall submit to the Secretary its recommendation and the in-

formation on the basis of which such modification, suspension, or termination is recommended.

(2) In determining the grades and sizes of dates deemed advisable to be shipped during any such period, in view of the prospective demand therefor, the committee shall give due consideration to the following factors: (i) The supply of dates comprising the carry-over from preceding marketing seasons and the prospective supply of dates from the current crop; (ii) the estimate of the current date crop composition by grades and sizes; (iii) the current prices for dates, on the basis of grades and sizes, thereof; (iv) the trend and level of consumer income; and (v) the present and prospective price trends, as well as other pertinent economic and marketing factors, relative to dates.

(3) The committee shall give adequate notice to handlers and growers of each meeting to consider the recommendation of regulations pursuant to this section. The said committee shall also give adequate notice to handlers and growers of each recommendation submitted to the Secretary.

(c) *Regulation by the Secretary.* Whenever the Secretary finds, from the recommendations and supporting information submitted by the committee, or from other available information, that to limit the shipment of dates to specified grades or sizes, or grades and sizes, during any designated period, would tend to effectuate the declared policy of the act, he shall designate the period and so limit the shipments of dates. Any regulation by the Secretary limiting the shipment of dates by sizes shall be applicable only to dates of the Deglet Noor variety. If the Secretary finds from the recommendations and information submitted by the committee, or from other available information, that to modify a regulation issued pursuant hereto will tend to effectuate the declared policy of the act, he shall so modify such regulation. If the Secretary finds, from the recommendations and information submitted by the committee, or from other available information, that any such regulation obstructs or does not tend to effectuate the declared policy of the act, he shall suspend or terminate such regulation. In like manner and upon the same basis, the Secretary may terminate any such modification or suspension. The Secretary shall immediately notify the committee of each such regulation limiting the shipment of dates, and of each such modification, suspension, or termination.

(d) *Minimum standards of quality and maturity*—(1) *Recommendations.* Whenever the committee deems it advisable to establish minimum standards of quality or maturity, or of both quality and maturity, to govern shipments of dates during any period pursuant to this paragraph, it shall recommend to the Secretary the minimum standards which shipments of such dates must meet. At the time of submitting each such recommendation to the Secretary, the committee shall also submit the data and information upon which it acted in making such recommendation. The said committee shall also furnish such other data and information as may be requested by the Secretary. In the event the committee deems it advisable to modify, suspend, or terminate any such minimum standards then in effect, it shall submit to the Secretary its recommendations and the information on the basis of which such modification, suspension, or termination is recommended.

(2) *Establishment.* Whenever the Secretary finds, from the recommendation and information submitted by the committee, or from other available information, that to establish minimum standards of quality or maturity, or of both quality and maturity, for dates, and to limit during any period the shipment of such dates to those meeting such minimum standards would be in the public interest and would tend to effectuate the declared policy of the act, he shall designate such period, establish such minimum standards, and so limit the shipment of such dates. The Secretary shall immediately notify the committee of the minimum standards so established and the period so designated.

(3) *Modification, suspension, or termination of minimum standards.* The committee may recommend to the Secretary the modification, suspension, or termination of any or all of the minimum standards established pursuant hereto. If the Secretary finds, upon the basis of such recommendation or upon the basis of other available information, that to modify such minimum standards will tend to effectuate the declared policy of the act, he shall so modify such standards. If the Secretary finds upon the basis of such recommendation or upon the basis of other available information that such minimum standards obstruct or do not tend to effectuate the declared policy of the act, he shall suspend or terminate such standards. The Secretary shall immediately notify the committee of each order modifying, suspending, or terminating any such minimum standards. In like manner and upon the same basis, the Secretary may terminate any such modification or suspension.

(e) *Inspection and certification.* Whenever the Secretary limits the shipment of dates pursuant to this section, no handler shall, during the effective time of such limitation, ship any dates unless such dates were inspected by the United States Department of Agriculture within fifteen (15) days prior to such shipment. Each such handler shall submit or cause to be submitted to the committee a copy of each inspection certificate issued to him with respect to such dates.

§ 983.5 *Reports*—(a) *Disposition report.* Each handler and each packer shall, within the time hereinafter prescribed, report to the committee in such manner as it may require and on forms made available by it, the following information with respect to dates received, dates handled, and dates disposed of by the respective person during the first fifteen days of each calendar month and during the remainder of such month:

(1) The quantity of dates shipped (i) in interstate commerce, and (ii) to Canada;

(2) The quantity of dates disposed of (i) within California, (ii) for export other than to Canada, (iii) for by-product use (including all destinations of such dates), and (iv) by any other means;

(3) The quantity of dates received (i) from growers, and (ii) from all other persons; and

(4) The quantity of dates on hand on the last day of the period covered by the report. The information, as aforesaid, with respect to the first fifteen calendar days of each month shall be reported to the committee not later than the twentieth day of such month; and the information, as aforesaid, with respect to the remainder of such calendar month, beginning with the sixteenth day thereof, shall be reported to the committee not later than the fifth day of the immediately following calendar month. A confidential employee, shall receive all such reports, compile promptly the information contained in them, and make such information available promptly in summary form to handlers and other interested persons. No such summary or compilation shall reveal the identity of the person furnishing a report the information of which is a part of such summary or compilation. Disclosure of such information shall be subject to the rules and regulations of the United States Department of Agriculture regarding the disclosure of confidential information.

(b) *Other reports.* Upon request of the committee, made with the approval of the Secretary, every handler shall furnish to such committee, in such manner and at such time as it prescribes, such other information as will enable it to perform its functions and duties hereunder.

§ 983.6 *Dates not subject to regulation.* Nothing contained herein shall be construed to authorize any limitation on the right of any person (a) to contract to sell any dates or (b) to ship dates (1) for consumption by charitable institutions, for distribution for relief purposes, or for distribution by relief agencies; or (2) for export to any foreign country except Canada.

§ 983.7 *Compliance.* Except as provided herein, no handler shall ship any dates the shipment of which is prohibited by the Secretary in accordance with the provisions hereof; and no handler shall ship any dates except in conformity with the provisions hereof.

§ 983.8 *Right of the Secretary.* All members (including alternate members and successors) of the committee and persons appointed or employed by the committee shall be subject to removal or suspension at any time by the Secretary. Each and every order, regulation, determination, decision, or other act of the committee shall be subject to the continuing right of the Secretary to disapprove such order, regulation, determination, decision, or other act at any time, and upon such disapproval, such action of the committee shall be deemed null and void, except as to acts done in reliance thereon or in compliance therewith prior to such disapproval by the Secretary. In the event the committee, for any reason, fails to perform its du-

ties or exercise its powers hereunder, the Secretary may designate another agency to perform such duties and to exercise such powers.

§ 983.9 *Effective time; suspension; termination*—(a) *Effective time.* The provisions hereof shall become effective at such time as the Secretary may declare above his signature attached hereto and shall continue in force and effect until terminated in any of the ways hereinafter specified.

(b) *Suspension; termination.* (1) The Secretary may, at any time, terminate the provisions hereof by giving at least one day's notice by means of a press release or in any other manner which he may determine.

(2) The Secretary shall terminate or suspend the operation of any or all of the provisions hereof whenever he finds that such provisions obstruct or do not tend to effectuate the declared policy of the act.

(3) The Secretary shall terminate the provisions hereof at the end of any fiscal period whenever he finds, by referendum or otherwise, that such terminations are favored by the majority of growers who, during such representative period as may be determined by the Secretary, have been engaged in the production for market of dates: *Provided,* That such majority have, during such representative period, produced for market more than fifty (50) percent of the volume of such dates produced for market within the area; but such termination shall be effective only if announced on or before the twenty-ninth day of June of the then current marketing season.

(4) The provisions hereof shall in any event, terminate whenever the provisions of the act authorizing them cease to be in effect.

(c) *Proceedings after termination.* (1) Upon the termination of the provisions hereof, the then members of the committee shall continue as joint trustees for the purpose of liquidating the affairs of the committee, of all the funds and property then in the possession of or under the control of the committee, its members, or alternate members, including claims for any funds unpaid or property not delivered at the time of such termination. The rules to govern the activities of said trustees, including but not being limited to the determination as to whether action shall be taken by a majority vote of the trustees, shall be prescribed by the Secretary.

(2) The said trustees shall continue in such capacity until discharged by the Secretary, and shall, from time to time, account for all receipts and disbursements and deliver all property (including, but not being limited to, all books and records of the committee and of the trustees) to such person as the Secretary may designate, and shall, upon request of the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such designee full title and right to property and funds, and all claims vested in the committee or the trustees pursuant hereto.

(3) All persons to whom funds, property, or claims have been transferred or delivered by the committee or its members, pursuant to this section, shall be subject to the same obligations imposed upon the members of the committee and upon the said trustees.

(4) All funds collected for expenses pursuant to the provisions hereof and held by such trustees or such other persons, over and above amounts necessary to meet the obligations and the expenses incurred necessarily by the trustees or such other persons in the performance of their duties hereunder, shall, as soon as practicable after the termination hereof, be returned to the handlers in proportion to their contributions made pursuant hereto.

§ 983.10 *Duration of immunities.* The benefits, privileges, and immunities conferred upon any person by virtue hereof shall cease upon the termination hereof, except with respect to acts done under and during the existence hereof.

§ 983.11 *Agents.* The Secretary may, by designation in writing, name any person, including any officer or employee of the Government, or name any bureau or division in the United States Department of Agriculture, to act as his agent or representative in connection with any one or more of the provisions hereof.

§ 983.12 *Derogation.* Nothing contained herein is, or shall be construed to be, in derogation or in modification of the rights of the Secretary or of the United States to exercise any powers granted by the act or otherwise, or, in accordance with such powers, to act in the premises whenever such action is deemed advisable.

§ 983.13 *Personal liability.* No member or alternate member of the committee, nor any person appointed or employed by the committee, shall be held personally responsible, either individually or jointly with other, in any way whatsoever, to any handler or to any other person for errors in judgment, mistakes, or other acts, either of commission or omission, as such member, alternate member, appointee, or employee, except for acts of dishonesty.

§ 983.14 *Separability.* If any provision hereof is declared invalid, or the applicability thereof to any person, circumstance, or thing is held invalid, the validity of the remainder hereof, or the applicability thereof to any other person, circumstance, or thing shall not be affected thereby.

§ 983.15 *Amendments*—(a) *Proposals.* Amendments hereto may be proposed, from time to time, by the committee or by the Secretary.

(b) *Issuance.* After due notice and hearing, and upon the execution of an agreement containing the proposed amendment by handlers who, during the preceding fiscal period, shipped not less than fifty (50) percent of the dates shipped during such period, the Secretary may issue such amendment and it shall become effective at such time as the Secretary may designate: *Provided,* That the Secretary shall not make such amendment effective unless he determines that such amendment is favored or approved by at least two-thirds (⅔) of the growers of dates, who, during a representative period determined by the Secretary, have been engaged in the State of California in the production of dates for market, or by growers of dates, who, during such representative period, have produced, in the State of California, for market at least two-thirds (⅔) of the volume of dates produced for market during such representative period.

§ 983.16 *Effect of termination or amendment.* Unless otherwise expressly provided by the Secretary, the termination hereof or of any regulation issued pursuant hereto or the issuance of any amendment to either thereof, shall not (a) affect or waive any right, duty, obligation, or liability which shall have arisen or which may thereafter arise in connection with any provision hereof or any regulation issued hereunder, or (b) release or extinguish any violation hereof or of any regulation issued hereunder, or (c) affect or impair any right or remedy of the United States, or of the Secretary, or of any other person with respect to any such violation.

§ 983.17 *Counterparts.** This marketing agreement may be executed in multiple counterparts and when one counterpart is signed by the Secretary all such counterparts shall constitute, when taken together, one and the same instrument as if all signatures were contained in one original.

§ 983.18. *Additional parties.** After the effective time hereof, any handler who has not previously executed this marketing agreement may become a party hereto if a counterpart hereof is executed by him and delivered to the Secretary. This marketing agreement shall take effect as to each such new contracting party at the time such counterpart is delivered to the Secretary, and the benefits, privileges, and immunities conferred by this marketing agreement shall then be effective as to such new contracting party.

§ 983.19 *Order with marketing agreement.** Each signatory handler favors and approves the issuance of an order by the Secretary, regulating the handling of dates in the same manner as is provided for in this marketing agreement; and each signatory handler hereby requests the Secretary to issue, pursuant to the act, such an order.

Filed at Washington, D. C., this 7th day of July 1948.

[SEAL] JOHN I. THOMPSON,
Assistant Administrator.

[F. R. Doc. 48-6177; Filed, July 12, 1948; 8:49 a. m.]

NOTICES

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

ARIZONA

NOTICE FOR FILING OBJECTIONS TO PUBLIC LAND ORDER NO. 492,[1] WITHDRAWING PUBLIC LANDS FOR USE OF DEPARTMENT OF THE ARMY FOR FLOOD CONTROL PURPOSES

For a period of 30 days from the date of publication of the above entitled order, persons having cause to object to the terms thereof may present their objections to the Secretary of the Interior. Such objections should be in writing, should be addressed to the Secretary of the Interior, and should be filed in duplicate in the Department of the Interior, Washington 25, D. C. In case any objection is filed and the nature of the opposition is such as to warrant it, a public hearing will be held at a convenient time and place, which will be announced, where opponents to the order may state their views and where the proponents of the order can explain its purpose, intent, and extent. Should any objection be filed, whether or not a hearing is held, notice of the determination by the Secretary as to whether the order should be rescinded, modified or let stand will be given to all interested parties of record and the general public.

C. GIRARD DAVIDSON,
Assistant Secretary of the Interior.

JULY 2, 1948.

[F. R. Doc. 48-6168; Filed, July 12, 1948; 8:47 a. m.]

ARIZONA, UTAH, AND WYOMING

AIR-NAVIGATION SITE WITHDRAWALS NOS. 16 AND 51 REDUCED; AIR-NAVIGATION SITE WITHDRAWALS NOS. 40, 123, AND 198 REVOKED

By virtue of the authority contained in section 4 of the act of May 24, 1928, 45 Stat. 729 (49 U. S. C. 214), it is ordered as follows:

The hereinafter-designated departmental orders, withdrawing certain lands in Arizona, Utah, and Wyoming for use by the Department of Commerce in the maintenance of air-navigation facilities, are hereby revoked as to the lands listed herein following the designation of each order.

This order shall become effective immediately as to the lands within the right of way included in Air-Navigation Site Withdrawal No. 51.

This order shall not become effective to change the status of the remaining lands until 10:00 a. m. on September 3, 1948. At that time the lands shall, subject to valid existing rights and the provisions of existing withdrawals, become subject to application, petition, location, or selection as follows:

(a) *Ninety-day period for preference-right filings.* For a period of 90 days from September 3, 1948, to December 3, 1948, inclusive, the public lands affected by this order shall be subject to (1) application under the homestead or the desert land laws, or the small tract act of June 1, 1938 (52 Stat. 609, 43 U. S. C. sec. 682a), as amended, by qualified veterans of World War II, for whose service recognition is granted by the act of September 27, 1944 (58 Stat. 747, 43 U. S. C. secs. 279–283), subject to the requirements of applicable law, and (2) application under any applicable public-land law, based on prior existing valid settlement rights and preference rights conferred by existing laws or equitable claims subject to allowance and confirmation. Applications by such veterans shall be subject to claims of the classes described in subdivision (2).

(b) *Twenty-day advance period for simultaneous preference-right filings.* For a period of 20 days from August 14, 1948, to September 2, 1948, inclusive, such veterans and persons claiming preference rights superior to those of such veterans, may present their applications, and all such applications, together with those presented at 10:00 a. m. on September 3, 1948, shall be treated as simultaneously filed.

(c) *Date for non-preference-right filings authorized by the public-land laws.* Commencing at 10:00 a. m. on December 4, 1948, any of the lands remaining unappropriated shall become subject to such application, petition, location, or selection by the public generally as may be authorized by the public-land laws.

(d) *Twenty-day advance period for simultaneous non-preference-right filings.* Applications by the general public may be presented during the 20-day period from November 13, 1948, to December 3, 1948, inclusive, and all such applications, together with those presented at 10:00 a. m. on December 4, 1948, shall be treated as simultaneously filed.

Veterans shall accompany their applications with certified copies of their certificates of discharge, or other satisfactory evidence of their military or naval service. Persons asserting preference rights, through settlement or otherwise, and those having equitable claims, shall accompany their applications by duly corroborated affidavits in support thereof, setting forth in detail all facts relevant to their claims.

Applications for these lands, which shall be filed in the land office for the district in which the lands are situated, namely, at Phoenix, Arizona, Salt Lake City, Utah, or Evanston, Wyoming, shall be acted upon in accordance with the regulations contained in § 295.8 of Title 43 of the Code of Federal Regulations (Circular No. 324, May 22, 1914, 43 L. D. 254), and Part 296 of that title, to the extend that such regulations are applicable. Applications under the homestead laws shall be governed by the regulations contained in Parts 166 to 170, inclusive, of Title 43 of the Code of Federal Regulations and applications under the desert land laws and the small tract act of June 1, 1938, shall be governed by the regulations contained in Parts 232 and 257, respectively, of that title.

Inquiries concerning these lands shall be addressed to the District Land Office at Phoenix, Arizona, Salt Lake City, Utah, or Evanston, Wyoming.

The lands affected by this order are described as follows:

ARIZONA

GILA AND SALT RIVER MERIDIAN

Land Withdrawn by Order of September 22, 1931; Air-Navigation Site Withdrawal No. 51

T. 1 S., R. 5 W.,
A right of way 100 ft. wide, 50 ft. on either side of a power line extending through secs. 10, 11, and 12, beginning at the southeast corner of the SW¼SW¼ of sec. 12; thence westerly to a point 6 ft. north of the southeast corner of sec. 11; thence westerly parallel to and 6 ft. north of the south line of said sec. 11, to a point 6 ft. north of the southwest corner of sec. 11, and thence across the east half of sec. 10 to the former beacon site in the east corner of the former intermediate field Site No. 26–B.

UTAH

SALT LAKE MERIDIAN

Lands Withdrawn by Order of July 13, 1938; Air-Navigation Site Withdrawal No. 123

T. 19 S., R. 7 W.,
Sec. 9, SW¼SE¼.

The area described contains 40 acres.

Lands Withdrawn by order of January 5, 1943; Air-Navigation Site Withdrawal No. 198

T. 21 S., R. 8 W.,
Sec. 20, NE¼NE¼.

The area described contains 40 acres

WYOMING

SIXTH PRINCIPAL MERIDIAN

Lands Withdrawn by Order of February 9, 1929; Air-Navigation Site Withdrawal No. 16

T. 14 N., R. 118 W.,
Sec. 22, SW¼SW¼.

The area described contains 40 acres.

Lands Withdrawn by Order of July 19, 1930; Air-Navigation Site Withdrawal No. 40

T. 13 N., R. 119 W.,
Sec. 6, SE¼SE¼;
Sec. 8, W½.

The areas described aggregate 360 acres.

These tracts are semi-desert in character.

C. GIRARD DAVIDSON,
Assistant Secretary of the Interior.

July 2, 1948.

[F. R. Doc. 48-6169; Field, July 12, 1948; 8:47 a. m.]

[1] See F. R. Doc. 48-6167, Title 43, Chapter I, Appendix, *supra*.

DEPARTMENT OF LABOR

Wage and Hour Division

EMPLOYMENT OF HANDICAPPED CLIENTS BY SHELTERED WORKSHOPS

NOTICE OF ISSUANCE OF SPECIAL CERTIFICATES

Notice is hereby given that special certificates authorizing the employment of handicapped clients at hourly wage rates lower than the minimum wage rates applicable under section 6 of the Fair Labor Standards Act of 1938 and section 1 (b) of the Walsh-Healey Public Contracts Act have been issued to the sheltered workshops hereinafter mentioned, under section 14 of the Fair Labor Standards Act of 1938 (sec. 14, 52 Stat. 1068; 29 U. S. C. 214) and Part 525 of the regulations issued thereunder (29 CFR, Cum. Supp., Part 525, amended 11 F. R. 9556), and under sections 4 and 6 of the Walsh-Healey Public Contracts Act (secs. 4, 6, 49 Stat. 2038; 41 U. S. C. 38, 40) and Article 1102 of the regulations issued pursuant thereto (41 CFR, Cum. Supp., 201.1102).

The names and addresses of the sheltered workshops to which certificates were issued, wage rates, and the effective and expiration dates of the certificates are as follows:

Chicago Metropolitan Unit of Illinois Association for the Crippled, Inc., 116 South Michigan Avenue, Chicago 3, Illinois; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 5 cents per hour, whichever is higher; certificate is effective June 29, 1948, and expires December 31, 1948.

Bethel Goodwill Industries of Ashtabula, Ohio, 621 Morton Drive, Ashtabula, Ohio; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 30 cents per hour, whichever is higher; certificate is effective July 1, 1948, and expires June 30, 1949.

The Christ Mission Goodwill Industries, 330 East Boardman Street, Youngstown, Ohio; at a wage rate of not less than the piece rate paid non-handicapped employees engaged in the same occupation in regular commercial industry maintaining approved labor standards, or not less than 20 percent per hour, whichever is higher; certificate is effective July 1, 1948, and expires June 30, 1949.

The employment of handicapped clients in the above mentioned sheltered workshops under these certificates is limited to the terms and conditions therein contained and is subject to the provisions of Part 525 of the regulations. These certificates have been issued on the applicants' representations that they are sheltered workshops as defined in the regulations and that special services are provided their handicapped clients. A sheltered workshop is defined as, "A charitable organization or institution conducted not for profit, but for the purpose of carrying out a recognized program of rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, and to provide such individuals with remunerative employment or other occupational rehabilitating activity of an educational or therapeutic nature."

The certificates may be canceled in the manner provided by the regulations. Any person aggrieved by the issuance of either of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER.

Signed at Washington, D. C., this 2d day of July 1948.

JACOB I. BELLOW,
Assistant Director,
Field Operations Branch.

[F. R. Doc. 48-6173; Filed, July 12, 1948; 8:48 a. m.]

CIVIL AERONAUTICS BOARD

[Docket No. 3295]

WIEN ALASKA AIRLINES, INC.

NOTICE OF HEARING

In the matter of the compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, of Wien Alaska Airlines, Inc., over its routes certificated for the transportation of mail, and the Board's Order to Show Cause, Serial No. E-1648, dated June 4, 1948.

Notice is hereby given, pursuant to the Civil Aeronautics Act of 1938, as amended, that a hearing in the above-entitled matter is assigned to be held on July 15, 1948, at 10:00 a. m. (eastern daylight saving time) in Wing C, Room 131, Temporary Building No. 5, 16th and Constitution Avenue NW., Washington, D. C., before Examiner Joseph L. Fitzmaurice.

Dated at Washington, D. C., July 7, 1948.

By the Civil Aeronautics Board.

[SEAL] M. C. MULLIGAN,
Secretary.

[F. R. Doc. 48-6188; Filed, July 12, 1948; 8:52 a. m.]

FEDERAL POWER COMMISSION

[Docket Nos. G-1003, G-1069]

ASSOCIATED NATURAL GAS CO. AND TEXAS EASTERN TRANSMISSION CORP.

ORDER CONSOLIDATING PROCEEDINGS AND FIXING DATE OF HEARING

JULY 7, 1948.

Upon consideration of the application filed July 2, 1948, by Associated Natural Gas Company, a Delaware corporation with its principal office in Tulsa, Oklahoma, for an order pursuant to section 7 (a) of the Natural Gas Act, directing Texas Eastern Transmission Corporation to establish a physical connection of its transportation facilities with the facilities of and to sell natural gas to Associated Natural Gas Company as described in such application on file with the Commission and open to public inspection;

It appears to the Commission that:

(a) It is necessary and desirable in the public interest that a hearing be held respecting the matters involved and the issues raised by such application;

(b) Good cause exists for consolidating the proceedings to be had in Docket No. G-1069 with proceedings in Docket No. G-1003 for the purpose of hearing; and

The Commission orders that:

(A) A public hearing be held, commencing at 10:00 a. m. (e. d. s. t.) on July 12, 1948, in the Main Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue, N. W., Washington, D. C., respecting the matters involved and the issues presented by the application of Associated Natural Gas Company;

(B) The public hearing provided for in paragraph (A) above be and the same is hereby consolidated for hearing with the matters involved in Docket No. G-1003;

(C) Interested State commissions may participate as provided by Rules 8 and 37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Date of issuance: July 8, 1948.

By the Commission.

[SEAL] LEON M. FUQUAY,
Secretary.

[F. R. Doc. 48-6180; Filed, July 12, 1948; 8:49 a. m.]

[Docket Nos. G-1003, G-1071]

COUNTY GAS CO. AND TEXAS EASTERN TRANSMISSION CORP.

ORDER CONSOLIDATING PROCEEDINGS AND FIXING DATE OF HEARING

JULY 7, 1948.

Upon consideration of the application filed July 6, 1948, by County Gas Company, a New Jersey corportion with its principal office in Atlantic Highlands, New Jersey, for an order pursuant to section 7 (a) of the Natural Gas Act, directing Texas Eastern Transmission Corporation to sell and deliver to County Gas Company natural gas at a point on the transmission line of Texas Eastern Transmission Corporation near Metuchen, New Jersey, as described in such application on file with the Commission and open to public inspection;

It appears to the Commission that:

(a) It is necessary and desirable in the public interest that a hearing be held respecting the matters involved and the issues raised by such application;

(b) Good cause exists for consolidating the proceedings to be held in Docket No. G-1071 with proceedings in Docket No. G-1003 for the purpose of hearing; and

The Commission orders that:

(A) A public hearing be held, commencing at 10:00 a. m. (e. d. s. t.) on July 12, 1948, in the Main Hearing Room of the Federal Power Commission, 1800 Pennsylvania Avenue NW., Washington, D. C., respecting the matters involved

and the issues presented by the application of County Gas Company;

(B) The public hearing provided for in paragraph (A) above be and the same is hereby consolidated for hearing with the matters involved in Docket No. G–1003;

(C) Interested State commissions may participate as provided by Rules 8 and 37 (f) (18 CFR 1.8 and 1.37 (f) of the Commission's rules and practices and procedure.

Date of issuance: July 8, 1948.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 48–6179; Filed, July 12, 1948; 8:49 a. m.]

[Docket No. G–1057]

PENN-YORK NATURAL GAS CORP.

ORDER FIXING DATE OF HEARING

Upon consideration of the Commission's order in this docket under date of June 4, 1948, suspending Supplement No. 1 to Penn-York's Rate Schedule FPC No. 11;

The Commission orders that:

(A) A public hearing be held commencing at 10:00 a. m. (e. d. s. t.) on July 21, 1948, in the Hearing Room of the Federal Power Commission, 1778 Pennsylvania Avenue, NW., Washington, D. C., concedning the lawfulness of the rates, charges, classifications, or services, subject to the jurisdiction of the Commission, as set forth in Supplement No. 1 to Penn-York Natural Gas Corporation Rate Schedule FPC No. 11.

(B) Interested State commissions may participate as provided by Rules 1.8 and 1.37 (f) (18 CFR 1.8 and 1.37 (f)) of the Commission's rules of practice and procedure.

Date of issuance: July 7, 1948.

By the Commission.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 48–6164; Filed, July 12, 1948; 8:46 a. m.]

[Docket No. G–1063]

OHIO FUEL GAS CO.

NOTICE OF APPLICATION

JULY 7, 1948.

Notice is hereby given that on June 25, 1948, an application was filed with the Federal Power Commission by The Ohio Fuel Gas Company (Applicant), an Ohio corporation with its principal place of business at Columbus, Ohio, for a certificate of public convenience and necessity pursuant to Section 7 of the National Gas Act, as amended, authorizing the construction and operation of approximately 8.3 miles of 18'' O. D. natural gas transmission pipeline extending from Texas Eastern Transmission Corporation's Compressor Station No. 16, in Clear Creek Township, Warren County, Ohio, to a point of connection with Applicant's existing natural gas transmission system at Centerville measuring station in Washington Township, Montgomery County, Ohio.

Applicant states that the proposed facilities will permit increased deliveries of natural gas from Texas Eastern Transmission Corporation's natural gas transmission pipelines into Applicant's existing natural gas transmission system serving the Dayton, Cincinnati and Springfield, Ohio, market areas. Applicant further states, that natural gas is now being delivered to Applicant by Texas Eastern Transmission Corporation at Dick's Creek measuring station, in Lemon Township, Butler County, Ohio, and transported by Applicant to its Centerville measuring station through pipeline facilities leased from The Cincinnati Gas & Electric Company. Applicant alleged that the condition of the leased pipeline prohibits increasing the pressure and volume of the natural gas transported to the amount necessary to maintain efficient operation and adequate service to existing markets. No additional markets are being considered in connection with the proposed facilities.

The estimated total over-all capital cost of the proposed facilities is $259,000, to be financed with funds from Applicant's own treasury.

Any interested State commission is requested to notify the Federal Power Commission whether the application should be considered under the cooperative provisions of § 1.37 of the Commission's rules of practice and procedure and, if so, to advise the Federal Power Commission as to the nature of its interest in the matter and whether it desires a conference, the creation of a board, or a joint or concurrent hearing, together with reasons for such request.

The application of The Ohio Fuel Gas Company is on file with the Commission and open to public inspection. Any person desiring to be heard or to make any protest with reference to the application shall file with the Federal Power Commission, Washington 25, D. C., not later than 15 days from the date of publication of this notice in the FEDERAL REGISTER, a petition to intervene or protest. Such petition or protest shall conform to the requirements of § 1.8 or § 1.10, whichever is applicable, of the rules of practice and procedure.

[SEAL] LEON M. FUQUAY, *Secretary.*

[F. R. Doc. 48–6165; Filed, July 12, 1948; 8:46 a. m.]

INTERSTATE COMMERCE COMMISSION

[No. 29886]

OFFICIAL AND SOUTHWESTERN TERRITORIES

DIVISIONS OF JOINT RATES

At a general session of the Interstate Commerce Commission, held at its office in Washington, D. C., on the 6th day of July A. D. 1948.

Good cause appearing therefor:

It is ordered, That the first ordering paragraph of the order of December 4, 1947, in the above-entitled proceeding be, and it is hereby, amended to read as follows:

It is ordered, That a proceeding of inquiry and investigation be, and it is hereby, instituted for the purpose of determining whether the present primary divisions of interterritorial joint rates on classes and all commodities between points in official territory (as defined in *Class Rate Investigation, 1939*, 262 I. C. C. 447, 457, but not including the Chicago, Ill., switching district or other points in Illinois on, west, or north of the Illinois Waterway or in Wisconsin) and points in southwestern territory (as defined in *Southwestern-Official Divisions*, 216 I. C. C. 687, 735, note 5) are unjust, unreasonable, inequitable or unduly preferential or prejudicial as between the carriers parties thereto hereinafter made respondents in this proceeding, and if so, what will be the just, reasonable, and equitable divisions of the aforesaid carriers as provided in section 15 (6) of the Interstate Commerce Act.

It is further ordered, That the carriers listed in the appendix hereto be, and they are hereby, made respondents in this proceeding in addition to those named in the order of December 5, 1947 herein;

It is further ordered, That a copy of this order be served on each of said respondents, and at the same time be posted in the Office of the Secretary of the Commission at Washington, D. C., and filed with the Director, Division of the Federal Register, Washington, D. C.

And it is further ordered, That this proceeding be, and it is hereby, assigned for initial hearing October 11, 1948, 9:30 o'clock a. m., U. S. standard time, and for further hearing on January 17, 1949, at 9:30 o'clock a. m., U. S. standard time, at the office of the Interstate Commerce Commission, Washington, D. C., before Examiner Howard Hosmer.

The official territory respondents are directed to prepare their testimony in writing and to furnish copies thereof, together with exhibits, to counsel for respondents in southwestern and southern territories and to the Commission not later than September 1, 1948.

Respondents in southwestern and southern territories are directed to prepare their testimony in writing and to furnish copies thereof, together with their exhibits, to counsel for official territory respondents and to the Commission not later than December 20, 1948.

By the Commission.

[SEAL] W. P. BARTEL, *Secretary.*

APPENDIX

Abilene & Southern Railway Company; Alabama, Tennessee & Northern Railroad Compani; Algiers, Winslow and Western Railway Company; Alton and Southern Railroad; Angelina & Neches River Railroad Company; Arcade and Attica Railroad Corporation; Arkansas & Louisiana Missouri Railway Company; Arkansas Railroad Company; Arkansas Western Railway Company; Aroostook Valley Railroad Company; Asherton and Gulf Rail-

way Company and Guy A. Thompson, Trustee; Ashley, Drew & Northern Railway Company; Asphalt Belt Railway Company and Guy A. Thompson, Trustee; Augusta Railroad Company; The Baltimore and Annapolis Railroad Company; Baltimore and Eastern Railroad Company; The Baltimore and Ohio Chicago Terminal Railroad Company; Barre & Chelsea Railroad Company; Bath and Hammondsport Railroad Company; Bauxite and Northern Railway Company; Beaver, Meade and Englewood Railroad Company; Belfast and Moosehead Lake Railroad Company; Bellefonte Central Railroad Company; The Belt Railway Company of Chicago; Birmingham Southern Railroad Company; Bonhomie and Hattiesburg Southern Railroad Company; Boston & Maine Transportation Company; Boyne City Railroad Company; Brooklyn Eastern District Terminal; The Buffalo Creek & Gauley Railroad Company; Buffalo, Union-Carolina Railroad; Bush Terminal Railroad Company; The Canadian Pacific Car and Passenger Transfer Company, (Limited); Carolina, Clinchfield and Ohio Railway; Carolina, Clinchfield and Ohio Railway of South Carolina, Lessees; Atlantic Coast Line Railroad Company; Louisville and Nashville Railroad Company; Cassville & Exeter Railway Company; The Castleman River Railroad Company; Central Indiana Railway Company; Central Railroad Company of Pennsylvania; Central Vermont Terminal, Inc.; Chesapeake Western Railway; Chestnut Ridge Railway Company; Cheswick and Harmar Railroad Company; Chicago & Illinois Western Railroad; Chicago, Aurora and Elgin Railway Company; Chicago Great Western Railway Company; Chicago Junction Railway (The Chicago River and Indiana Railroad Company, Lessee); Chicago, North Shore and Milwaukee Railway Company; The Chicago River and Indiana Railroad Company; Chicago, South Shore and South Bend Railroad; Chicago, West Pullman & Southern Railroad Company; Cincinnati, Burnside & Cumberland River Railway Company; The Clarendon and Pittsford Railroad Company; Clarion River Railway Company; The Colorado and Southeastern Railroad Company; The Colorado & Wyoming Railway Company; Columbia & Millstadt Railroad Company; Columbus and Greenville Railway Company; Cornwall Railroad Company; Coudersport and Port Allegany Railroad Company; Cumberland and Pennsylvania Railroad Company; The Dansville and Mount Morris Railroad Company; Dardanelle and Russellville Railroad Company; Delray Connecting Railroad Company; Delta Valley & Southern Railway Company; The Denison and Pacific Suburban Railway Company; DeQueen and Eastern Railroad Company; Detroit, Caro and Sandusky Railway Company; The Dominion Atlantic Railway Company; Doniphan, Kensett & Searcy Railway; Durham and Southern Railway Company; East Jersey Railroad and Terminal Company; East Jordan & Southern Railroad Company; Eastland, Wichita Falls & Gulf Railroad Company; East Washington Railway Company; El Dorado and Wesson Railway Company; Erie & Michigan Railway & Navigation Company; Evansville & Ohio Valley Railway Company, Inc.; Evansville, Suburban & Newburgh Railway Company; The Fairport, Painesville and Eastern Railroad Company; The Federal Valley Railroad Company; Ferdinand Railroad Company; Fernwood, Columbia & Gulf Railroad Company; Fonda, Johnstown and Gloversville Railroad Company; Fordyce and Princeton Railroad Company; Fore River Railroad Corporation; Fort Smith and Van Buren Railway Company; Fort Smith, Subiaco & Rock Island Railroad Company; Frankfort & Cincinnati Railroad Company; The Galesburg and Great Eastern Railroad Company; Galveston, Houston and Henderson Railroad Company; Genessee and Wyoming Railroad Company; Grafton and Upton Railroad Company; Grassee River Railroad Corporation; Graysonia, Nashville & Ashdown Railroad Company; Greenwich & Johnsonville Railway Company; Gulf, Colorado and Santa Fe Railway Company; Hoboken Manufacturers Railroad Company; Hooppole, Yorktown and Tampico Railroad Company; Hoosac Tunnel and Wilmington Railroad Company; Houston and Brazos Valley Railway Company and Guy A. Thompson, Trustee; Houston Belt & Terminal Railway Company; The Huntingdon and Broad Top Mountain Railroad and Coal Company; Illinois Northern Railway; Indiana Harbor Belt Railroad Company; Ironton Railroad Company, The (Lehigh Valley Railroad Company and Reading Company, Lessees); Jamestown, Westfield and Northwestern Railroad Company; The Jay Street Connecting Railroad Company; The Joplin-Pittsburgh Railroad Company; The Kanawha Central Railway Company; Kansas City, Kaw Valley Railroad, Inc.; Kelly's Creek Railroad Company; Lackawanna and Wyoming Valley Railroad Company; Lake Erie, Franklin & Clarion Railroad Company; The Lakeside and Marblehead Railroad Company; The LaSalle and Bureau County Railroad Company; Ligonier Valley Railroad Company; Litchfield and Madison Railway Company; The London and Port Stanley Railway; The Lorain & West Virginia Railway Company; The Louisiana and North West Railroad Company; The Louisiana & Pine Bluff Railway Company; Louisiana Midland Railway Company; Louisiana Southern Railway Company; Louisville & Jeffersonville Bridge and Railroad Company; Louisville, New Albany & Corydon Railroad Company; The Lowville and Beaver River Railroad Company; Manistee and Northeastern Railway Company; Manistique and Lake Superior Railroad Company; The Mansfield Railway & Transportation Company; Manufacturer's Junction Railway Company; Manufacturers Railway Company; The Marcellus and Otisco Company, Inc.; Maryland and Pennsylvania Railroad Company; McKeesport Connecting Railroad Company; Meridian and Bigbee River Railway Company and J. C. Floyd, Trustee; Middle Creek Railroad Company; Middle Fork Railroad Company; Middletown and New Jersey Railway Company, Inc.; Millstead Railroad Company; The Milwaukee Electric Railway and Transport Company; Minneapolis, St. Paul & Sault Ste. Marie Railroad Company; Mississippi Central Railroad Company; Missouri and Illinois Bridge and Belt Railroad Company; Missouri Pacific Railroad Corporation in Nebraska and Guy A. Thompson, Trustee; Morehead and North Fork Railroad Company; Morristown & Erie Railroad Company; Moscow, Camden & San Augustine Railroad; Moshassuck Valley Railroad Company; The Murfreesboro & Nashville Railroad Company; The Nacogdoches & Southeastern Railroad Company; Napierville Junction Railway Company; The Narragansett Pier Railroad Company; Natchez & Southern Railway Company and Guy A. Thompson, Trustee; The Natchez, Urania and Ruston Railway Company; Nelson & Albermarle Railway Company; The Newburgh and South Shore Railway Company; New Iberia & Northern Railroad Company and Guy A. Thompson, Trustee; The New Jersey and New York Railroad Company and Peter Duryee, Trustee; New Jersey, Indiana & Illinois Railroad Company; New Orleans and Lower Coast Railroad Company; The New York and Long Branch Railroad Company; New York Dock Railway; Northampton and Bath Railroad Company; Northeast Oklahoma Railroad Company; North Louisiana & Gulf Railroad Company; Norwood & St. Lawrence Railroad Company; The Ohio & Morenci Railroad Company; Oklahoma Railway Company and Robt. K. Johnston and A. C. DeBolt, Trustees; Okmulgee Northern Railway Company; The Orange & Northwestern Railroad Company and Guy A. Thompson, Trustee; Osage Railway Company; Paducah & Illinois Railroad Company; Panhandle and Sante Fe Railway Company; Paris and Mt. Pleasant Railroad Company; The Pecos Valley Southern Railway Company; Pennsylvania and Atlantic Railroad Company (The Union Transportation Company, Lessee); Peoria and Pekin Union Railway Company; Peoria Terminal Company; Piedmont and Northern Railway Company; Pittsburg County Railway Corp.; Pittsburgh, Chartiers & Youghiogheny Railway Company; Port Huron and Detroit Railroad Company; The Potomac Edison Company; Prattsburgh Railway Corporation; The Prescott and Northwestern Railroad Company; Pullman Railroad Company; Quanah, Acme & Pacific Railway Company; Quebec Central Railway Company; Rahway Valley Company (Rahway Valley Company, Lessee); Raritan River Railroad Company; Reader Railroad; Red River and Gulf Railroad; Rio Grande City Railway Company and Guy A. Thompson, Trustee; Rock Island Southern Railway Co.; Roscoe, Snyder and Pacific Railway Company; Rosslyn Connecting Railroad Company; Rowlesburg & Southern Railroad Company; St. Francois County Railroad Company; The St. Johnsbury & Lake Champlain Railroad Company; St. Louis and Ohio River Railroad; St. Louis, San Francisco and Texas Railway Company; San Antonio Southern Railway Company and Guy A. Thompson, Trustee; San Benito and Rio Grande Valley Railway Company and Guy A. Thompson, Trustee; Sand Springs Railway Company; Savannah & Atlanta Railway Company; Skaneateles Short Line Railroad Corporation; Smithfield Terminal Railway Company; South Brooklyn Railway Company; South Buffalo Railway Company; Southern Indiana Railway, Inc.; Southern New York Railway, Incorporated; Southern Pacific Company; Texas and New Orleans Railroad Company; Springfield Terminal Railway Company (Vermont); Steelton & Highspire Railroad Company; The Stewartstown Railroad Company; Sugar Land Railway Company and Guy A. Thompson, Trustee; Suncook Valley Railroad; Terminal Railroad Association of St. Louis; Texas Electric Railway Company; Texas-New Mexico Railway Company; Texas Oklahoma & Eastern Railroad Company; Texas Short Line Railway Company; Texas South-Eastern Railroad Company; Toledo & Eastern Railroad Co.; The Toledo, Angola & Western Railway Company; The Toledo Terminal Railroad Company; The Toronto, Hamilton and Buffalo Railway Company; Tremont & Gulf Railway Company; Trenton-Princeton Traction Company; Tulsa-Sapulpa Union Railway Company; Unadilla Valley Railway Company; Union Freight Railroad Company (Boston, Mass.); Union Pacific Railroad Company; United Electric Railways Company; Unity Railways Company; Valley Railroad Company; Virginia Blue Ridge Railway; Virginia Central Railway; Waco, Beaumont, Trinity & Sabine Railway Company and T. L. Epperson, Receiver; Warren & Ouachita Valley Railway Company; Warren & Saline River Railroad Company; Washington and Old Dominion Railroad; Waterloo, Cedar Falls & Northern Railroad; The Weatherford, Mineral Wells and Northwestern Railway Company; Western Allegheny Railroad Company; West Pittston-Exeter Railroad Company; West Virginia Northern Railroad Company; Wharton and Northern Railroad Company; Wichita Falls & Southern Railroad Company; The Wichita Valley Railroad Company; Winchester and Western Railroad Company; The Winfield Railroad Company; Winifrede Railroad Company; The Winona Railroad Co.; York Utilities Company; The Youngstown and Southern Railway Company.

[F. R. Doc. 48-6182; Filed, July 12, 1948; 8:51 a. m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-1520]

KENTUCKY UTILITIES CO. ET AL.

ORDER MODIFYING PREVIOUS ORDER

At a regular session of the Securities and Exchange Commission held at its office in the city of Washington, D. C., on the 7th day of July A. D. 1948.

In the matter of Kentucky Utilities Company, Old Dominion Power Company, The Middle West Corporation, File No. 70-1520.

The Commission having, on July 1, 1947, entered an order modifying an order previously entered on June 16, 1947, with respect to certain transaction involving The Middle West Corporation ("Middle West"), a registered holding company, Kentucky Utilities Company, a subsidiary of Middle West, and Old Dominion Power Company, a subsidiary of the latter, by adding to said order of June 16, 1947, certain tax recitals to conform with the requirements of sections 371, 372, 373 and 1808 (f) of Internal Revenue Code as amended; and Middle West having filed a further amendment requesting the Commission to issue an order clarifying the intended meaning of the order entered on July 1, 1947, and the Commission having examined the changes proposed by Middle West, and deeming it appropriate to modify said order of July 1, 1947:

It is therefore ordered, That the order of this Commission issued on July 1, 1947, herein be, and hereby is, modified by deleting subparagraphs (1) and (2) therefrom and inserting in lieu thereof the following paragraphs:

(1) The issue, upon original issue, and the sale by Kentucky Utilities Company to The Middle West Corporation for cash at par of 1,049,689 additional shares of Common Stock of Kentucky Utilities Company of the par value of $10 per share, and the purchase of said shares and the investment therein of $10,496,890 by The Middle West Corporation, in accordance with the terms of this order;

(2) The expenditures (being a part of the $10,498,890 referred to in the preceding subparagraph (1) by The Middle West Corporation for 457,972.46 shares of the said 1,049,689 shares of Common Stock of Kentucky Utilities Company of (a) $1,465,714.43, being the amount received by The Middle West Corporation from the sale of 57,226 shares of the par value of $10 each of Common Stock of Michigan Gas and Electric Company and from the redemption by Michigan Gas and Electric Company of 4,878 shares without par value of its $6 Non Par Prior Lien Stock held by The Middle West Corporation, and (b) $2,613,760.17, being the amount received by The Middle West Corporation from the sale of 146,923 shares without par value of common stock of Northern Indiana Public Service Company, and (c) $500,250, being the amount received by The Middle West Corporation from the sale of 9,000 shares without par value of $3 Cumulative Preferred Stock of Copper District Power Company; and.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 48-6176; Filed, July 12, 1948; 8:48 a. m.]

[File No. 1-2849]

BREWSTER AERONAUTICAL CORP.

ORDER GRANTING APPLICATION TO STRIKE FROM LISTING AND REGISTRATION

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 7th day of July A. D. 1948.

The Board of Trade of the City of Chicago and the New York Curb Exchange, pursuant to section 12 (d) of the Securities Exchange Act of 1934 and Rule X-12D2-1 (b) promulgated thereunder, have made application to strike from listing and registration the Common Stock, $1.00 Par Value, of Brewster Aeronautical Corporation.

The reasons for striking this security from registration and listing on these exchanges that are stated in the application are: (1) The stockholders of the issuer at a special meeting held on April 5, 1946 authorized the dissolution and complete liquidation of the corporation; (2) a certificate of dissolution was filed with the Department of State of the State of New York on May 15, 1946; (3) a liquidating dividend of $5.25 per share was paid on December 24, 1947 to stockholders of record on December 17, 1947; (4) on April 22, 1948 the Supreme Court of the State of New York authorized payment of another liquidating dividend in the amount of 50¢ per share; (5) the applicant exchanges on December 24, 1947 suspended dealings in this security; (6) the only remaining assets after allowing for the liquidating dividend of 50¢ per share and allowing for estimated claims and expenses will be approximately $90,725; (7) in view of the extent to which liquidation has progressed, the governing board of each exchange has recommended that this security be stricken from the list of securities registered and listed on such exchange.

Appropriate notice and opportunity for hearing have been given to interested persons and the public generally. No request has been received from any interested person for a hearing in this matter. The rules of the Board of Trade of the city of Chicago and of the New York Curb Exchange with respect to striking a security from registration and listing have been complied with.

The Commission having considered the facts stated in the application, and having due regard for the public interest and the protection of investors;

It is ordered, That said application be, and the same is, hereby granted, effective at the close of the trading session on August 7, 1948.

By the Commission.

[SEAL] ORVAL L. DUBOIS, *Secretary.*

[F. R. Doc. 48-6175; Filed, July 12, 1948; 8:48 a. m.]

DEPARTMENT OF JUSTICE

Office of Alien Property

AUTHORITY: 40 Stat. 411, 55 Stat. 839, Pub. Laws 322, 671, 79th Cong., 60 Stat. 50, 925; 50 U. S. C. and Supp. App. 1, 616, E. O. 9193, July 6, 1942, 3 CFR, Cum. Supp., E. O. 9567, June 8, 1945, 3 CFR, 1945 Supp., E. O. 9783, Oct. 14, 1946, 11 F. R. 11981.

[Vesting Order 11427]

JOSEPH KASSMAN

In re: stock owned by Joseph Kassman, also known as Josef Kassman, and as Joseph Kassmann. F-28-28897-A-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Joseph Kassman, also known as Josef Kassman, and as Joseph Kassmann, whose last known address is Viehgrosshandler, Zone 13 (a) Kirchheim, Bavaria, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows:

a. One Hundred Fifty (150) shares of no par value capital stock of Consolidated Textile Corporation, 86 Worth Street, New York, New York, a corporation organized under the laws of the State of Delaware, evidenced by certificates numbered NY 049174 for fifty (50) shares and NY 78282 for one hundred (100) shares, registered in the name of Joseph Kassman, together with all declared and unpaid dividends thereon, and

b. Eight Hundred (800) shares of 100 Chilean Pesos par value capital stock of Nitrate Corporation of Chile, a corporation organized under the laws of Chile, evidenced by Temporary Certificates, registered in the names of the persons listed below, numbered and in the amounts appearing opposite each name as follows:

Temporary certificate No.	Name in which registered	Number of shares
TH 1	Teff & Co.	100
TH 2	do.	100
TH 9353	Thomas L. Manson Co.	100
TH 9354	do.	100
TH 11233	Shields & Co.	100
TH 9414	Robert Marsh, Jr.	100
TH 370	Charles J. Crump	100
TH 20189	Charles Mackay	100

together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Joseph Kassman, also known as Josef Kassman, and as Joseph Kassmann, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States

requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 10, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6198; Filed, July 12, 1948; 8:53 a. m.]

[Vesting Order 11446]

EMILIE HOERLING

In re: Emilie Hoerling, also known as Emilie Hoerling Zahrt, as Emilie Zahrt and as Emilie Fahrt. F-28-28158-D-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Emilie Hoerling, also known as Emilie Hoerling Zahrt, as Emilie Zahrt and as Emilie Fahrt, whose last known address is 21 Thal near Bad Tyrment, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: Twenty-four (24) shares of $25.00 par value capital stock of Commonwealth Edison Company, 72 West Adams Street, Chicago 90, Illinois, a corporation organized under the laws of the State of Illinois, evidenced by certificate numbered 376360 for four (4) shares, certificate numbered 382489 for two (2) shares and certificate numbered C051238 for eighteen (18) shares, registered in the name of Emilie Hoerling and Mildred Hoerling, as joint tenants with right of survivorship and not as tenants in common, together with all declared and unpaid dividends thereon,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Emilie Hoerling, also known as Emilie Hoerling Zahrt, as Emilie Zahrt and as Emilie Fahrt, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 10, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6199; Filed, July 12, 1948; 8:53 a. m.]

[Vesting Order 11479]

KATLIN GAUSZ ADOVITZ

In re: Estate of Katlin Gausz Adovitz, a/k/a Katlin Gausz, deceased. File No. D-28-12320; E. T. sec. 16522.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Karl Gausz and Irene Blaosch, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, and each of them, in and to the Estate of Katlin Gausz Adovitz, a/k/a Katlin Gausz, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by The Boardwalk National Bank of Atlantic City, as Executor, acting under the judicial supervision of the Atlantic County Surrogate's Court, Mays Landing, New Jersey;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6200; Filed, July 12, 1948; 8:53 a. m.]

[Vesting Order 11486]

YUICHI FUJIHIRO

In re: Estate of Yuichi Fujihiro, deceased. D-39-19127; E. T. sec. 16327.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Katsuko Fujihiro, Yaoko Fujihiro, and Tadako Fujihiro, whose last known address is Japan, are residents of Japan and nationals of a designated enemy country (Japan);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, and each of them, in and to the Estate of Yuichi Fujihiro, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Japan);

3. That such property is in the process of administration by Phil C. Katz, as administrator, acting under the judicial supervision of the Superior Court, State of California, County of San Francisco;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Japan).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6201; Filed, July 12, 1948; 8:53 a. m.]

[Vesting Order 11518]

CARL WANNINGER

In re: Estate of Carl Wanninger, deceased. File No. D–28–9619; E. T. sec. 13306.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Clara Wanninger, Helmuth Wanninger, Heintz Wanninger, Ruth Wanninger, and Katie Wanninger, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That the sum of $100.00 was paid to the Attorney General of the United States by Ernestine Grosvenor, Administratrix, of the Estate of Carl Wanninger, deceased;

3. That the said sum of $100.00 was accepted by the Attorney General of the United States on May 20, 1947, pursuant to the Trading With the Enemy Act, as amended;

4. That the said sum of $100.00 is presently in the possession of the Attorney General of the United States and was property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which was evidence of, ownership or control by, the aforesaid nationals of a designated enemy country (Germany);

and it is hereby determined;

5. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy ccuntry (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

This vesting order is issued nunc pro tunc to confirm the vesting of the said property by acceptance as aforesaid.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48–6202; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11520]

WAYDELL BUILDING AND LOAN ASSOCIATION LIQUIDATING CORP.

In re: In the matter of Waydell Building and Loan Association Liquidating Corporation. File No. F–28–28484–C–1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Augusta Vogel, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the person named in subparagraph 1 hereof, in and to the sum of $1,132.10 held by the Supervisor of Chancery Funds pursuant to an order of the Court of Chancery of New Jersey dated November 25, 1946 and entered in a proceeding entitled In the Matter of Waydell Building and Loan Association Liquidating Corporation, is property payable or deliverable to, or claimed by, the aforesaid national of a designated enemy country (Germany);

3. That such property is in the process of administration by the Supervisor of Chancery Funds, acting under the judicial supervision of the Court of Chancery of New Jersey;

and it is hereby determined:

4. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48–6203; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11521]

LOUISE WEHNERT

In re: Estate of Louise Wehnert, deceased. (File No. F–28–12667; E. T. sec. 16422.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Otto Karl August Wehnert, Ilse Johanne Friederike Wehnert, Cathrine Louise Mueller (b. Gosch), and Friede Cathrine Gosch, whose last known address is Germany, are residents of Germany and nationals of a designated enemy country (Germany);

2. That all right, title, interest and claim of any kind or character whatsoever of the persons named in subparagraph 1 hereof, and each of them, in and to the estate of Louise Wehnert, deceased, is property payable or deliverable to, or claimed by, the aforesaid nationals of a designated enemy country (Germany);

3. That such property is in the process of administration by Claudius Gosch, ancillary administrator, c. t. a., acting under the judicial supervision of the Orphans' Court of Berks County, Pennsylvania;

and it is hereby determined:

4. That to the extent that the persons named in subparagraph 1 hereof are not within a designated enemy country, the national interest of the United States requires that such persons be treated as nationals of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48–6204; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11523]

APITZ, REINHOLD & SAUERLAND

In re: Debt owing to Apitz, Reinhold & Sauerland. F–28–24849–C–1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Apitz, Reinhold & Sauerland, the last known address of which is Berlin, Germany, is a corporation, partnership, association or other business organization, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany, and is a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Apitz, Reinhold & Sauerland, by Pennie, Edmonds, Morton & Barrows, 247 Park Avenue, New York 17, New York, in the amount of $129.50, as

of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6205; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11530]

CARL INGENRIETH

In re: Bank account owned by Carl Ingenrieth, also known as Karl J. Ingenreith. D-28-8911-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Carl Ingenrieth, also known as Karl J. Ingenreith, whose last known address is Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Carl Ingenrieth, also known as Karl J. Ingenreith by The American Savings Bank Co., 828 Huron Road, Cleveland, Ohio, arising out of a savings account, account number 20597, entitled Carl Ingenrieth, maintained at the office of the aforesaid bank located at 828 Huron Road, Cleveland, Ohio, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6206; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11531]

HERMAN P. KANJEFSKY

In re: Bank account owned by Herman P. Kanjefsky, also known as Paul Kanjefsky. F-28-297-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Herman P. Kanjefsky, also known as Paul Kanjefsky, whose last known address is Varel (23) Ordenburg, Bezirk, Friesland, Oldenburgerstrasse 10/28, Bei Georg, Britische Besaszungs Zone, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation of The Manhattan Savings Bank, 754 Broadway, New York, 3, New York, arising out of a savings account, account number 150202 entitled Herman P. Kanjefsky in trust for Frances M. Thomas, maintained at the aforesaid bank and any and all rights to demand, enforce and collect the aforesaid debt or other obligation.

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, Herman P. Kanjefsky, also known as Paul Kanjefsky, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6207; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11533]

BERTA KREBS

In re: Bank account owned by Berta Krebs, also known as Berta-Rose Krebs. F-28-26950-C-1, E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Berta Krebs, also known as Berta-Rose Krebs, whose last known address is 15 Johannesstrasse, Giessen, State Hessen, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Berta Krebs, also known as Berta-Rose Krebs, by The Manhattan Savings Bank, 154 East 86th Street, New York 28, New York, arising out of a savings account, account number 620,882, entitled Berta Krebs, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

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There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6208; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11537]

WALDEMAR MULLER

In re: Debt owing to Waldemar Muller. F-28-23323-C-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Waldemar Muller, whose last known address is Waterlooufer 14, Berlin SW 61, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Waldemar Muller, by Bernard L. Frankel, as administrator of the Estate of Otto Munk, deceased, Bankers Securities Building, 1315 Walnut Street, Philadelphia 7, Pennsylvania, in the amount of $48.03, as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6209; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11539]

RHEINISCHE ERZ & METALLHANDEL G. M. B. H.

In re: Debt owing to Rheinische Erz & Metallhandel G. m. b. H. F-28-26148-C-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Rheinische Erz & Metallhandel G. m. b. H., the last known address of which is Cologne, Germany, is a corporation, partnership, association, or other business organization, organized under the laws of Germany, and which has or, since the effective date of Executive Order 8389, as amended, has had its principal place of business in Germany, and is a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Rheinische Erz & Metallhandel G. m. b. H., by Associated Metals & Minerals Corp., 40 Rector Street, New York 6, New York, in the amount of $152.50, as of December 31, 1945, together with any and all accruals thereto, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6210; Filed, July 12, 1948; 8:54 a. m.]

[Vesting Order 11542]

GRETCHEN SCHROEDER

In re: Bank account owned by Gretchen Schroeder. F-28-29022-E-1.

Under the authority of the Trading With the Enemy Act, as amended, Executive Order 9193, as amended, and Executive Order 9788, and pursuant to law, after investigation, it is hereby found:

1. That Gretchen Schroeder, whose last known address is Lippe, Germany, is a resident of Germany and a national of a designated enemy country (Germany);

2. That the property described as follows: That certain debt or other obligation owing to Gretchen Schroeder, by Bank of New York and Fifth Avenue Bank, 530 Fifth Avenue, New York 19, New York, arising out of an account, entitled Gretchen Schroeder, maintained at the aforesaid bank, and any and all rights to demand, enforce and collect the same,

is property within the United States owned or controlled by, payable or deliverable to, held on behalf of or on account of, or owing to, or which is evidence of ownership or control by, the aforesaid national of a designated enemy country (Germany);

and it is hereby determined:

3. That to the extent that the person named in subparagraph 1 hereof is not within a designated enemy country, the national interest of the United States requires that such person be treated as a national of a designated enemy country (Germany).

All determinations and all action required by law, including appropriate consultation and certification, having been made and taken, and, it being deemed necessary in the national interest,

There is hereby vested in the Attorney General of the United States the property described above, to be held, used, administered, liquidated, sold or otherwise dealt with in the interest of and for the benefit of the United States.

The terms "national" and "designated enemy country" as used herein shall have the meanings prescribed in section 10 of Executive Order 9193, as amended.

Executed at Washington, D. C., on June 25, 1948.

For the Attorney General.

[SEAL] DAVID L. BAZELON,
Assistant Attorney General,
Director, Office of Alien Property.

[F. R. Doc. 48-6211; Filed, July 12, 1948; 8:55 a. m.]